Make Skills a National Priority

Consultations by the
Canadian Labour and Business Centre

A Synthesis of Consultations by the
Canadian Labour and Business Centre

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Executive Summary

Introduction

This is a synthesis of policy directions and approaches that could help meet Canada's current and future needs for skilled workers. The ideas presented here came from a broad sampling of the labour and business communities during consultations by the Canadian Labour and Business Centre (CLBC), at the request of Human Resources Development Canada, in the early spring 2001.

As an independent national labour-business organization, for several years the Canadian Labour and Business Centre[1] has focused attention on the complex and far-reaching issues involved in meeting Canada's skills challenges. Competition for skilled workers is fierce, and in many fields, increasingly international in scope. This is one of the most serious challenges facing Canadian management and labour — the people who work in and for the companies and organizations that generate income, employment, and social and economic well-being for all Canadians.

Both labour and business informants expressed a high degree of frustration and skepticism about the practical value of further consultations on skills needs. Informants indicated a sense that, over the years, there have been numerous studies, consultations, and policy and program initiatives, "few of which have had any measurable impact on the key problems". Despite their reservations, however, informants from both constituencies were willing to engage in the discussions.

The issues related to the need for skilled workers are complex and pervasive. During the consultations, business and labour identified the issues that, in their view, are of most concern.

Both the labour and the business constituencies have strongly held views on a number of broad fiscal and other public policy issues. These perspectives are encapsulated in the main report, and are more fully reflected in the appended summary findings from the consultations with the business and labour constituencies. It is particularly interesting to note that the greatest differences are at the national, public policy level. There are major differences, for example, with respect to the role of government, in particular the role of fiscal policy and the impact of Employment Insurance. At the same time, labour and business have different perspectives on the extent to which skills development and training is a worker's right, or a responsibility which rests with the individual.

At the workplace and sectoral levels, however, business and labour respondents often brought up similar suggestions and preferences vis-à-vis approaches to skills challenges.

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[1] The Board of the Canadian Labour and Business Centre is comprised of business and labour leaders from all regions of the country and a wide range of industries and economic sectors. Senior representatives from the federal, provincial and territorial governments and from the post secondary education sector also participate on the Board.

This offers cause for optimism that building a collective will-to-action is possible on many fronts. These perspectives are apparent both within each constituency, and between the labour and business constituencies.

There is an observable evolution in the perspectives of both business and labour on a number of key fronts. Earlier national business-labour leadership surveys by the Canadian Labour and Business Centre indicate that "skills shortages" — which as an issue was barely on the radar screen of labour and business four or five years ago — is now ranked by both constituencies as one of their top ten concerns. (For more information, see CLBC's Viewpoints 2000 survey results on our Web site, www.clbc.ca).

The key purpose of the consultations was to identify opportunities for action related to the priority concerns of business and labour. These suggestions include relatively straightforward measures that, in the opinion of both constituencies, could and should be implemented immediately by the federal government, with immediate and positive impacts.

Many of the approaches and measures listed below, however, will require further study, elaboration, and consensus building efforts to forge agreement between and among the wide range of stakeholders who must contribute to the national effort.

As is well illustrated in the main report and in the appended summaries of findings of the business and labour consultations, there are many initiatives and programs already underway, especially in individual workplaces but also at the sectoral level and by the various orders of government across the country. It is not always easy, however, to access information about some of these innovative approaches, as they are often not well documented or evaluated for success.

What is needed, as both constituencies point out, is leadership to make the skills and learning agenda a national priority, with a sense of urgency and a will to act that is shared by all stakeholders. Moreover, the active commitment of all orders of government is needed to deal with jurisdictional issues, and to facilitate collaboration with one another and with other stakeholders.

Directions, Approaches and Measures to Address Canada's Skills Challenge: Key Suggestions by Labour and Business Informants

1. Training and Human Resource Development

In the key area of training and human resource development, business and labour have very different perspectives at the national policy level.

Labour respondents did not like the Registered Individual Learning Accounts (RILAs) proposed in the recent Throne Speech, and stated a preference for a training tax/ grant levy system, a national version of the Québec "Loi du 1%". Business, on the other hand, was strongly opposed to the concept of a training tax/grant levy system. The potential

new initiative most frequently discussed by business informants was a Human Resource Investment Tax Credit, although many also expressed interest in the RILA approach.

At the workplace level, business and labour appeared to be much closer in their views. On the labour side, it is a longstanding principle that every worker is entitled to training; and on the business side, there is increasing recognition that higher levels of training will be needed to offset difficulties in recruitment. Both constituencies supported sectoral approaches to HRD issues. As a result, there was general support for renewed and enhanced support for Sector Councils, reflecting their strategic position at the interface between education and industry. The point was made by both sides that training levels should not be reduced at the first sign of an economic downturn.

2. The Skilled Trades

Both constituencies strongly urged the federal government to implement immediately two specific measures that would assist apprentices:

- Institute a tax credit for the purchase of tools by new tradespersons.
- Eliminate the two-week Employment Insurance waiting period for apprentices on block release for classroom training.

Labour and business participants talked of the need for laddering arrangements, which would increase opportunities for students and tradespersons to follow apprenticeship programs to community college and then to university. For many, the 'dead end' image of the trades was linked to the absence of such arrangements.

Some business informants favoured a full apprenticeship approach to trades training, in which certification, and the mobility rights that accompanied this, would be granted after completion of a full apprenticeship program which included all aspects of the trade. Others favoured a modular approach to training in which recognition of completed modules (some of which might be in different trades areas) produced workers with skill sets more tailored to particular employer needs.

3. Immigration

Both constituencies recognized that, traditionally, immigration has served to supply many of Canada's needs for skilled people in a wide range of fields and sectors. That supply from many traditional source countries, however, is drying up, at the same time as Canada faces increased competition from other countries in recruiting talented immigrants.

Business spokespersons called for a streamlining of immigration regulations and procedures to permit Canadian employers to recruit key skills internationally. Respondents from the high-tech sector further noted that Canada must recognize that it is part of a world-wide labour market for skilled workers in this sector, and must act aggressively to attract and retain these workers through specific initiatives in critical skills areas.

Labour respondents spoke of the important need to work with new immigrant communities to actively include their members in the labour force.

4. Labour mobility and credential recognition

Several organizations cautioned that the education, skills and experience of many foreign-trained workers were going unused because Canadian regulatory bodies did not recognize them. Efforts to remove such accreditation barriers, while protecting professional standards, were thus an essential step if Canada were to make efficient use of all the skills at its disposal.

Both constituencies urged refinements of prior learning assessment and recognition (PLAR) practices and policies. Labour's emphasis was on a greater role for labour and business; while business saw PLAR approaches as a valuable tool for identifying the skills foreign-trained workers bring to Canadian employers, and as such should be used more extensively by employers.

Finally, a clear case for federal leadership, especially for business respondents, is the need to facilitate the full and immediate implementation of the labour mobility provisions of the Agreement in Internal Trade. In related fashion, both labour and business called for increased efforts to harmonize trades certification standards to promote full mobility of tradespersons within Canada.

5. Provincial and Education Sector Actions

The most significant difference of perspective between labour and business in this area appeared to be on the issue of "partnerships" with schools. Many business representatives identified such partnerships as essential, and took the view that institutions should become more "market-driven" and more open to business assistance. Labour informants, on the other hand, were less enthusiastic about the value of such partnerships. Some labour people felt that these arrangements give business too much influence over education. "

There was, however, considerable common ground on other fronts. Respondents from both constituencies urged the provinces to review their training and education resource levels with the goal of redressing the cumulative impacts of provincial budget cutting on education (elementary and secondary as well as PSE), training and apprenticeship budgets.

In this regard it was noted that addressing anticipated shortages of teaching staff at all levels would provide an additional critical challenge to schools and post-secondary institutions, with potential implications for their capacity to carry out their mandate.

There was a strong view in both constituencies that provinces and schools must address a perceived bias among guidance teachers, as a result of which students are often directed to university studies upon graduation, at the expense of community colleges and, particularly, of the trades.

Both sides recommended that industrial arts programs be introduced and/or improved at the elementary and secondary levels. Both parties also agreed on the need for expanded co-op, internship and work experience programs to improve the employability, attitudes and work skills of students. Such initiatives would require much higher levels of partnership with local employers and unions.

6. Older workers/phased-in retirement

Both labour and business informants identified phased-in retirement provisions as a practical way to retain the invaluable knowledge, skills and experience of older workers for a longer period of time, although they recognized that this would involve the modification of many current pension rules and regulations. Phased-in retirement could also serve to encourage experienced workers to mentor younger workers.

Phased-in retirement would allow individuals greater choice as to how and when they would leave the workforce. It could be incorporated as part of an early retirement program or could be applied to people aged 65 years of more.

7. Working with Aboriginal Communities

Finally, respondents from both constituencies, particularly in Manitoba, Saskatchewan and Alberta, expressed the importance of working more extensively with the Aboriginal population, with the goal of including these peoples effectively in the work force. Drawing attention to the growing number of training/mentorship initiatives already in place, they called for sustained activity to extend these further.

Conclusion

As informants repeatedly pointed out, the skills agenda is a complex, multisectoral, and multifaceted challenge. What is needed is a combination of initiatives at all levels, by all stakeholders, over time, beginning now: what informants called "a will and a way to act".

The Canadian Labour and Business Centre will continue to focus on identifying and furthering development of measures to address the skills challenges.

Background and Context

In a national survey of private and public sector labour and management leaders, conducted by the Canadian Labour and Business Centre in early 2000 (*Viewpoints 2000*), management and labour in Canada ranked "skills shortages" among their top ten concerns.

As an independent national labour-business organization, for several years the Canadian Labour and Business Centre[2] has focused attention on the complex and far-reaching issues involved in meeting Canada's skills challenges. Competition for skilled workers is fierce, and increasingly international in scope. This is one of the most serious challenges facing Canadian management and labour — the people who work in and for the companies and organizations that generate income, employment, and social and economic well-being for all Canadians.

It is in this broad context that the Canadian Labour and Business Centre, at the request of Human Resources Development Canada, initiated in-depth consultations with the labour and business constituencies focused on the skills challenges facing Canada.

The principal purpose of the consultations was not further diagnosis of the issues, but rather to identify approaches to addressing these problems. Specifically, the consultations aimed:

- To identify the aspects of skills shortages issues that are priority concerns to labour and to business;
- To identify solutions and opportunities for action related to these priority concerns, and to identify who should be carrying out these actions;
- To provide public sector policy makers with informed feedback on business and labour views concerning potential measures and policies aimed at addressing skills shortages and related issues; and
- To lay the groundwork for development of next-step action plans by the Board of the Canadian Labour and Business Centre.

The Consultative Process

The consultations focused on five broad aspects of the issue identified by the members of the CLBC Board to be of greatest concern to labour and business:

- Demographic issues;
- Training, Education and Human Resource Development issues;

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2 The Board of the Canadian Labour and Business Centre is comprised of business and labour leaders from all regions of the country and a wide range of industries and economic sectors. Senior representatives from the federal, provincial and territorial governments and from the post secondary education sector also participate on the Board.

- Education-work transition issues;
- Trades/Technology issues; and
- Labour Mobility, Immigration, and Credential Recognition issues.

Hundreds of labour and business people from different regions and industry sectors participated in the consultations, which took place in the spring of 2001.

Their views, some of which reflect long-held constituency perspectives, are captured in the summary findings of the consultations with each constituency, appended to this report. In addition to a number of important differences, however, labour and business appear to agree in several strategic areas.

Structure of this report

This report is a synthesis of the key findings of the consultations. The paper is organized in two key sections:

Defining the Issues: areas of agreement and areas of difference; this section is organized under the five key issue areas identified above; and

Directions, Approaches and Solutions: this section is organized under actions by key stakeholder groups.

Appended to the report are summary reports of the consultations with the labour constituency and the business constituency[3], together with a list of informants who participated in these consultations.

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[3] Given the important role of the educational system in addressing skills shortages issues, the Centre also consulted a limited number of representatives of the academic community. The major findings of the academic consultations are synthesized into this report.

Defining the Issues: priority concerns of labour and business

Both labour and business informants expressed a high degree of frustration and skepticism about the practical value of further consultations on skills needs. Informants indicated a sense that, over the years, there have been numerous studies, consultations, and policy and program initiatives, "few of which have had any measurable impact on the key problems". On the labour side, the overall sense was that "there has been much rhetoric over the years, but (we) have not seen much evidence of commitment to act", while business evidenced "a clear frustration with Canada's collective inability to deal effectively with the issues". Despite their reservations, however, informants from both constituencies were willing to engage in the discussions.

Informants from both constituencies identified the following issues as key factors underlying and affecting the current situation. It should be noted that informants tended to interpret both the causes and the impacts of these issues according to the ongoing concerns of each constituency, which influence their perspectives. It should also be noted that, within each constituency, there was not universal agreement on the key features of the issues.

Strategic Context: Different Perspectives

Both the labour and the business constituencies have strongly held views on a number of broad fiscal and other public policy issues. These perspectives are more fully reflected in the appended summaries of findings from the consultations with the business and labour constituencies. There are major differences with respect to the role of government, in particular fiscal policy and EI (business favouring more, and labour less, government intervention); and with respect to collective (labour) or individuals' (business) responsibility for skills development and training.

Business Views

- Many business informants felt that, despite recent changes, Canada's personal income tax rates remained uncompetitive with those in the United States. This would have to be addressed as part of an overall effort required to attract and retain the economic leaders who will provide the innovation and vision that Canadian business will need to remain internationally competitive. Other aspects of that effort included providing competitive compensation, excellent working conditions, and leading edge opportunities.
- A number of informants held that payroll taxes increase the cost of hiring, and absorb funds that might otherwise be used by employers to hire and/or train the employees they need. In particular, business felt that there was an important need for the federal government to reduce Employment Insurance premiums.
- Many informants expressed the view that Employment Insurance benefits are a disincentive to work, and a disincentive to move to seek work. In

particular, they felt that recent changes in EI legislation which removed the penalties for repeat use of the program, actually reversed earlier changes and worked to discourage labour mobility.

Labour Views

- Labour informants felt strongly that policies of restraint, restructuring and downsizing in the 90s have contributed to the current skills shortages.
- Informants pointed out that the Canadian Labour Congress and its affiliates have long advocated for legislation that requires employers to provide training for their employees, reinforced with a revamped Employment Insurance system designed to provide income support and to assist unemployed workers acquire new skills.
- Labour would like to see greater support given to the public education system, and criticized the trend to purchasing training from private sector companies, "often with questionable credentials".
- Labour also made the connection between poor working conditions and skill shortages.

Similar Perspectives

Overall, informants appeared to share a number of similar perspectives. This offers cause for optimism that building a collective will-to-action is in fact possible. These perspectives are apparent both within each constituency, and between the labour and business constituencies:

- Both constituencies see the skills challenge as a national priority that must not be ignored or set aside, even in the face of an economic downturn.
- It is recognized that the skills issues are multifaceted and complex.
- Both constituencies see a "shortage of opportunities" as well as a "shortage of skills".
- The challenge is not limited to the high-tech and IT sectors. Skilled workers are in short supply in many vital sectors, including the skilled trades. This will negatively affect the overall economic health of the country.
- Informants consistently pointed to fragmentation and inconsistency of regulatory and legislative frameworks, both at the national and provincial/territorial levels, as problems to be addressed.
- Concerning strategic directions and approaches, both labour and business put considerable emphasis on the importance of information-sharing, dialogue, support for partnerships, and exchange of ideas and "best practices".
- Finally, both labour and business spoke of the strategic importance of improving and enhancing the participation of all groups in the labour

market, including those who encounter particular barriers, such as Aboriginals and new immigrants.

Demographic Issues

Both constituencies agree that demographic factors and issues are at the core of the skills shortage situation, both current and future. Both parties emphasized that, regardless of the current economic downturn (especially in the high-tech sector), demographic realities mean that attention must not be diverted from the need to address what could be a critical shortage of skilled workers (in fact, as more than one respondent noted, of workers, period) in all sectors of the economy within the next ten years.

Lower birth rates and fewer new entrants to the labour market, as well as the large size of the "baby-boomer" cohort, are resulting in an aging work force. Large numbers of "baby-boomers" are expected to retire over the next decade.

- Sixty-four percent of tradespersons in the BC pulp and paper industry are 45 years of age or older; only one percent are 30 years of age or younger.[4]
- According to BC's Industrial Training and Adjustment Commission (ITAC), there will be no fewer than 700,000 job openings due to retirements in BC by 2010.[5]
- Forty percent of nurses across Canada are 40 years of age or older, and the average age of retirement in this profession is 56.

In some regions, out-migration has exacerbated demographic issues. In Nova Scotia, Newfoundland, Manitoba, and Saskatchewan, for instance, informants noted that the migration to other regions of workers in the prime of their careers, as well as young graduates, added to the losses from retirements.

As a result of significant numbers of layoffs and negligible levels of new hires in the previous decade, the work forces of many "mature" industries, such as steel and construction, are very old. The steel industry estimated in 1999 that, during the next five years, one third of its work force would be eligible for retirement.[6]In the construction industry in 1999, thirty percent of the work force was over 45 years of age.[7] Informants questioned not only who would do the work in the future, but also, who will lead and participate in the transfer of skills and knowledge to the new generation of workers.

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4 Communications, Energy and Paperworkers Union of Canada, Pulp and Paper Workers of Canada, The Skilled Trades Shortage in the Pulp and Paper Industry: A Call to Action, April 2000.

5 Ibid, pg 2.

6 Canadian Steel Trade and Employment Congress, Survey of the Steel Industry, Toronto, 1999, pg. 3.

7 Labour Force Survey data as cited by Prism Economic and Analysis in Tracking Shortages, presentation at Canadian Construction Association Labour Relations Conference, November 2000.

The question of who will train new labour market entrants is not limited to transfer of knowledge from one generation of workers to the next. Canada's colleges and universities, and in fact schools at all levels of the education system, are themselves caught in the demographic crunch. A study prepared for the Ontario College of Teachers in 1998 estimated that, by 2003, one in four qualified teachers living in Ontario in 1998 would retire, and about one in two by 2008.[8]

The proportion of faculty over 55 years of age in Canadian universities surpassed thirty percent in 1998, from twenty percent just ten years earlier, translating into faculty retirements ranging from 1,300 to 1,700 annually.[9] One university respondent noted that his university, considered mid-size by Canadian standards, will have to hire at least one new faculty member a week for the next five years.

By 2010, approximately one-third of faculty employed in BC's colleges, universities, institutes and agencies will have to be replaced.[10]

Training, Education and Human Resource Development Issues

Both business and labour agreed that workforce training and skills development is a critical component of the medium to long-term solution to the skills shortages problem.

Both sides also agreed on the need for improved access to training; greater flexibility; more responsiveness on the part of education/training institutions to the real-world needs of workers and companies; and on the effectiveness of partnership arrangements, including and especially sectoral approaches.

Labour and business called for improved labour market information to help young people in particular make informed career and education choices. This issue was emphasized in particular with respect to the trades and technology/technical fields, which were seen to suffer from a poor image due at least in part to negative (and uninformed) attitudes on the part of parents, teachers, and guidance counselors.

Both parties agreed that workplace (employer-based) training is of vital importance. On the business side, "there was strong recognition in many sectors and regions that employers would have to concentrate more on training and retaining their work force as a whole in order to maintain competitiveness." Both sides emphasized, however, the barriers and challenges faced by companies and workers in undertaking training programs. Business informants spoke in particular of the costs involved, of scheduling problems, and of the lack of responsiveness or "disconnect" on the part of education and training institutions in identifying a firm's or sector's needs and tailoring a program to

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8 Interview with Larry Brown and Mike Luff, NUPGE.

9 AUCC, Building the Professoriate of the 21st Century. Paper presented at the October 2000 Annual Meeting of the AUCC, Calgary, October 2000; pg. 2.

10 Advanced Education Council of British Columbia, Problem: Faculty Retention and Renewal. Issue Paper 001, April 2001; pg 2.

meet those needs. Labour informants emphasized the lack of replacement workers, the fact that trainers often come from educational or management circles, and the emphasis on specific task-related training as opposed to more generic and portable skills development.

Business and labour alike mentioned the practice of "poaching" of skilled workers from one company to another, which can mean that an employer who makes a training investment is disadvantaged.

Both parties acknowledged the importance of PLAR (Prior Learning Assessment and Recognition). Labour participants noted that the current PLAR system does not recognize enough of a role for unions and depends too much on the educational institutions.

Training and re-training of laid-off workers was brought up in particular by labour. Over the years, many of the sector councils developed cost effective and innovative programs to assist such people. The federal government had funded these programs. It has become increasingly difficult for sector councils to secure funding, despite their proven track record. A recent example of this occurred when CSTEC did not win the contract to provide services to laid-off Steelworkers in Sydney (Nova Scotia), despite the fact that the USWA requested that CSTEC provide the service. Many other unions or union-based training centres find themselves in similar situations. They now have to compete against community-based agencies for contracts to deliver their adjustment programs to their members.

There was a perception that HRDC financially supported the development of new sectoral initiatives but removed support from ongoing initiatives, on the grounds that they should justify their continuation by becoming financially self-sufficient. From a sector viewpoint, it is pointless to develop new initiatives if the capacity to deliver them is not also addressed. In addition, the energy expended in seeking financial support often reduced the energy available for developing the sector council's initiatives themselves.

Finally, the formal education system is recognized as a key player in addressing the skills needs of the country. However, the stresses on the formal education system are not related only to the graying of the professoriate (discussed above). Schools, colleges and universities across the country have been dealing with, among other problems, shrinking operational grants; burgeoning enrolment levels (in Ontario, the "double cohort"[11] phenomenon will add new pressure to the post-secondary education system in 2003-2004); salaries that are not competitive with the private sector; difficulties attracting staff to remote or smaller communities; difficulties recruiting foreign workers; and aging infrastructure and equipment, including libraries, laboratories and computer/technology equipment.

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[11] The "double cohort" refers to students now in Grades 10 and 11 who will graduate from high school at the same time due to the elimination of Ontario's Grade 13. Thus, twice the number of high school graduates will be competing for placement in Ontario's colleges and universities.

Business and labour differ significantly on a number of training and human resource development issues.

Labour's perspectives on education, training and skills/human resource development issues are predicated on the strongly held principle that "every worker is entitled to training". Labour informants felt that the onus of worker training and education, which in the past was the responsibility of employers and governments, has shifted to the individuals themselves. Labour informants stated that they do not believe that asking employers to adopt a voluntary approach to training has proved effective, and that the labour movement has for years advocated a system of mandatory training.

There was clear disagreement between business and labour on the Registered Industrial Learning Accounts (RILAs) announced in the last federal budget and currently under development at HRDC. Business informants expressed positive interest in this initiative. Labour informants were strongly opposed, seeing the initiative as "continuing the thrust towards making individuals responsible for their own education and skill training rather than a responsibility of society as a whole — the "individualization of risk."

Similar levels of disagreement are apparent on the concept of a direct training levy such as a national version of the Québec "Loi du 1%", an approach identified as "the preferred choice of labour" but opposed by business.

Both sides were unhappy with the current EI system, but for very different reasons. Labour's premise was that the Employment Insurance system should be an integral part of the social safety net and not a fiscal policy tool. Labour advocated a revamped EI program including EI-supported education and training leaves. Business focused on the high cost to employers of EI premiums and expressed concern that the current system is a "disincentive to work" and a "disincentive to move to seek work."

Education-Work Transitions Issues

Related to these issues are concerns about the efficiency with which graduates leave the formal education system and enter the labour market. In addition, it was pointed out that the issues are not restricted to school-to-work transition, but are in fact related to opportunities for lifelong learning and training, or school-to-work-to-school transitions in the plural.

Both sides agreed that these transition issues require attention, although the emphasis was somewhat different between the two constituencies. Labour referred to the need to inform young people about the broader facets of the workplace and working life, including the role of unions and the importance of inter-relationships with coworkers, employers, and government; while business tended to emphasize the importance of curriculum development to enhance work-related skills and integrating "soft skills" such as communication and team work. These skills were cited as "lacking" in recent graduates and identified by both labour and business as a serious problem for all industries and sectors.

Labour and business informants emphasized the importance of creative transition programs, including partnerships involving industry and the education system, co-op programs, and programs targeting Aboriginal youth.

Trades/Technologies Issues

Informants mentioned no other single issue as consistently as the poor image of the trades and technology occupations. Both labour and business spoke of the low exposure of students to the trades during their formal education, with little attempt by the school system to convey appreciation of the sophistication and tremendous technical complexity of modern skill trades.

The skills needs situation is not limited to the high-tech and IT sectors. Other sectors, vitally important to the overall health of the economy, are also experiencing difficulties attracting skilled workers, especially young people. The demographic reality of the aging workforce in the trades is compounded by a serious "image" problem: unlike Europe, where the skilled trades are respected and valued, in Canada many parents and guidance counselors do not consider the skilled trades as a desirable career choice. In fact, the trades are often seen as a "dead end".

This poor image was linked by both labour and business, in part, to a system of high school guidance (termed 'elitist' by one respondent) that was effectively biased against the trades in favour of university or college educations. Guidance counselors were perceived as having little practical knowledge of the trades, and thus as unlikely to promote them to any but those students 'unable to do anything else'. Many labour informants noted that there is a fixation with computers and with everything that is high tech. There is no appreciation of the sophistication and tremendous technical complexity of modern skill trades.

Moreover, teaching of the trades is hindered by a lack of skilled teachers. In Ontario, for example, currently only 62 teachers are being trained in the trades technologies. This is not enough to meet the current needs of the city of Toronto, let alone the province.

Other informants criticized the lack of an 'industrial arts' component in high school curricula, which would introduce students to the trades, or bemoaned the lack of exposure of students, even in elementary grades, to the trades.

High-Tech and IT Issues

Notwithstanding the importance of the skilled trades and the specific challenges and barriers facing these sectors, business spokespersons in particular from the high-tech and IT sector noted that Canada must recognize that it is part of a world-wide labour market for many of these skills, and act aggressively to attract and retain these workers. This raised a number of concerns, including:

- Whether the number of university and college graduates in key disciplines is sufficient to meet Canadian requirements;

- Whether immigration regulations and procedures can be streamlined to permit Canadian employers to recruit these skills internationally;
- Whether Canadian salaries, tax levels, and 'quality of life' are sufficiently competitive, especially with those in the United States, to prevent a significant 'brain drain' to that country.

Despite the current slowdown in activity in many of these industries, concerns remain that Canada's ability to produce, attract and retain such top talent will heavily influence the country's future growth, competitiveness, and living standards.

Labour Mobility, Immigration and Credential Recognition Issues

Business and labour pointed out that the ability of workers to move from one region/province to another is hindered by a mix of regulatory and jurisdictional issues. As predicted by both sides, the F/P/T Agreement on Internal Trade did not succeed in meeting the July 1st, 2001 target for implementation of the labour market mobility provisions. Skepticism was voiced by both business and labour vis-à-vis the extent of the political will and commitment to implement these measures.

In some sectors, particularly construction, a surplus of skilled workers in one province may exist side by side with a significant shortage of people with the right skills in the neighbouring province. Inter-provincial differences in certification and standards, despite the Red Seal program, are a major problem.

For apprentices in the skilled trades, mobility is impeded by the very real difficulties involved in transferring apprenticeships between provinces. When apprentices are laid off in the cyclical construction industry, for example, the perception is that many of them decide to leave the industry because of these difficulties.

Both constituencies agreed that immigration, as a solution to shortages of skilled workers, is at best a short-term and partial solution. Moreover, the credentials of foreign workers are often not recognized by Canadian regulatory bodies. In addition, certification processes for these workers are often long and discouraging.

Business informants in particular, some of them quite strongly, were in favour of increased levels of immigration in certain key occupations. However, traditional (European) sources of skilled immigrants are drying up; and Canada has to compete with many other countries for skilled workers from a decreasing number of source countries. Labour informants criticized the recent trend to recruit workers, such as nurses, from countries that can ill afford to lose their own skilled labour force.

Finally, immigrants tend to settle in larger urban centres, which does not address the skills shortages experienced in smaller, rural or remote parts of the country.

The capacity of many parties to act together to address shortage issues

Respondents from both constituencies questioned the ability and political will of governments at the federal and provincial levels to work together as a nation to address skill issues in a coherent and consistent way. Participants talked of the growing fragmentation of the training system and the impacts of federal/provincial/territorial jurisdictional divisions. There is no consistency in programs, requirements or credentials from one jurisdiction to another. Issues included:

- The impact of provincial apprenticeship jurisdiction on the establishment of apprenticeship standards which can support worker mobility among provinces and territories;
- The impact of provincial professional regulatory bodies on the interprovincial mobility of professional and technical workers and the access to professions and trades;
- Provincial governments' growing interest in immigration and its impact on federal level immigration policies;
- The 'devolution' of training jurisdiction to the provinces, and the potential impact on provincial training resource levels, national standards, and sectorally focused initiatives such as sector councils. (These issues have been taken to an extreme in Ontario, where no federal/provincial Labour Market Development Agreement exists).

Business informants also pointed out that, from their perspective, other collaborations are also necessary and often difficult. These included:

- Collaborations with educational institutions to develop courses/programs which met industry and workers' needs;
- Collaboration with secondary schools or school boards to develop partnerships on individual projects or promote best practices;
- Business-labour collaboration to find ways to train new skills;
- Collaborations with governments to find ways to streamline individual processes, including immigration.

In this context, some respondents talked of a lack of shared urgency around the skills issue; others talked of a lack of leadership, which could encourage individual parties to move beyond short term agendas or jurisdictional issues to address a larger, common and urgent problem.

Directions, Approaches and Actions

Actions at the Federal Level: National Public Policy Measures

A clear case for federal leadership, especially for business participants, is to facilitate the full and immediate implementation of the labour mobility provisions of the Internal Trade Agreement.

In addition, in order to alleviate barriers and obstacles to apprentices and their training, both labour and business identified two specific and immediate actions that should be taken by the federal government:

1. Institute a tax credit for the purchase of tools by new tradespersons. "Tools of the trade" are often prohibitive expenditures that are a serious barrier to beginning their journeyman careers. In some trades, tools can cost up to $8000.

2. Eliminate the two-week Employment Insurance waiting period for apprentices on block release for classroom training. This waiting period effectively strips workers of income for a two-week period. Since many apprentices have family responsibilities and expenses, this presents an unnecessary and removable obstacle to their continued apprenticeship.

Other measures to be explored further by various parties on a national basis included:

- Nationally consistent standards for apprenticeable trades
- Forgiveable student loans with payment terms, dependent on students remaining in Canada after graduation

Both constituencies recognize the complexity of the legislative and regulatory environment, and understand that even relatively minor changes to existing legislation, let alone introduction of new measures, can take time. However, given the urgency of addressing the skills needs of the Canadian economy today and in the near future, business and labour identified a number of core national public-policy areas that require attention and offer solid opportunities for action.

(a) Human Resource Development Policies

Labour and business participants in these consultations emphasized the need for revamped human resource development policies at the national level. There is, however, disagreement on the direction such policies should take.

Employee training: Funding options

In the recent Throne Speech, the Federal government proposed the introduction of Individual Learning Accounts. The labour community sees this initiative continuing the current thrust towards the "individualization of risk", making education and skill training the responsibility of individuals rather than a responsibility of society as a whole. There

is considerable concern in the labour constituency that individual learning accounts will compromise the effectiveness of the sector councils. Despite the successes of the various sector councils, the shift to individual client-based programming makes it difficult for the councils overall to access programs and develop strategies.

Labour's preference is a training tax/grant levy system, a national version of the Québec "Loi du 1%". The labour movement has been advocating the implementation of a mandatory system requiring employers to provide training or to subsidize employers who do. It would contribute to addressing the issues of poaching and help create the training culture the federal government advocates.

Business takes the opposite view. Business was strongly opposed to the concept of a training tax/grant levy system. The potential new initiative most frequently discussed by business informants was a Human Resource Investment Tax Credit, in which employers would receive tax credits for eligible training investments, which might include contributions to the activities of sector councils. There was also considerable positive interest in the recently announced Registered Industrial Learning Accounts (RILAs) under development by HRDC.

Labour also suggested another option, i.e., an EI Training Leave provision. Every worker would be entitled to five weeks of EI income support for every year he/she has been in the labour force, up to a maximum of 52 weeks. The EI Training Leave would be an expansion of what is available for the classroom portion of apprenticeship. All job related training causing an interruption of earnings would be eligible for employment insurance protection.

Support for Sector Councils

Both constituencies supported sectoral approaches to HRD issues. As a result, there was general support for renewed and enhanced support for Sector Councils. A number of labour participants suggested that sector councils are well placed to undertake human resource planning. Labour also suggested that sector councils could play a role in apprenticeship training. Sector councils should have the ability to indenture apprentices and be fully responsible for their training. If there are gaps in training, the sector should be able to adjust to ensure that the apprentice is exposed to all aspects of the trade.

Business participants generally strongly endorsed the councils' contributions to human resources development. Many business participants looked to sectoral arrangements such as sector councils as a way to share common training costs. In particular, business attached great importance to improving communication between industry and education, and pointed out that the sector councils were positioned at this very interface between industry and education[12]. It follows, therefore, that supporting the activities of sector

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12 Often, sector councils are able to share initiatives in a very cost-effective way. The Canadian Steel Trades and Employment Congress, for example, was able to share many of its manufacturing skills training courses with the Ontario Aerospace Council which, with minimal adaptation, could use many of them directly.

councils, which can effectively communicate industry needs to education, and vice versa, makes strategic sense.

Participants noted that political support for sector councils must be reinforced by support at the working level. Respondents from both constituencies questioned the apparent willingness to fund development activities of sector councils, but not delivery of their programs.

Labour participants suggested that the federal government should support both the development and operation of creative school-to-work transition programs. There are a number of successful programs currently underway which have been developed with the assistance of a range of partners (including school boards, community colleges, unions, employers, and sector councils), such as the Canadian Aviation Maintenance Council Youth Internship program in partnership with the Machinists, Canadian Airlines and the BC School Board.

Prior Learning Assessment and Recognition (PLAR) Policies

Labour respondents in particular urged refinements of prior learning assessment and recognition (PLAR) practices and policies that would see a greater role for labour and business. PLAR should also target production jobs, such as machine operators, foundry workers, and laminator operators. These occupations are often not recognized for the level of experience and ability that they require. If they were, intra-industry and inter-occupational mobility would be enhanced. By increasing the recognition of these occupations, it would make it possible to deliver training that would be transferable to other sectors and occupations.

A number of business respondents noted that (PLAR) approaches constitute a valuable tool for effective recognition of the work experience of foreign-trained workers and should be used more extensively by employers.

(b) Immigration Policies

Both constituencies recognized that, traditionally, immigration has served to supply many of Canada's needs for skilled people in a wide range of fields and sectors. Business participants in particular identified several immigration policy enhancements that could serve to alleviate problems in key occupations and sectors.

Business spokespersons from the high-tech sector noted that Canada must recognize that it is part of a world-wide labour market for skilled workers in this sector, and act aggressively to attract and retain these workers. They called for a streamlining of immigration regulations and procedures to permit Canadian employers to recruit these skills internationally.

Difficulties in recruiting foreign workers have also been identified as an important recruitment barrier by the academic community. Informants pointed out that, under

current immigration laws and regulations, the two-tier system imposes more stringent restrictions on foreign recruitment than, say, the US system.

Several organizations cautioned that the education, skills and experience of many foreign-trained workers were going unused because Canadian regulatory bodies did not recognize them. Efforts to remove such accreditation barriers, while protecting professional standards, were thus an essential step if Canada were to make efficient use of all the skills at its disposal. The labour movement also recognizes the need to establish a system for better coordination of credential assessment for internationally educated individuals. Labour participants would like to see a greater degree of accountability and there is a strong preference for these bodies to be publicly administered.

Finally, efforts are required by the federal government to attract more skilled immigrants to Canadian regions that traditionally are not immigrant destinations (e.g. northern, remote, rural and smaller communities).

(c) Phased-in Retirement Policies

Phased-in retirement starts with a joint decision by employer and employee to reduce the employee's total hours of work over a period of time as the worker moves toward a full and complete retirement. Both labour and business informants identified phased-in retirement provisions as a practical way to retain the invaluable knowledge, skills and experience of older workers for a longer period of time. The current set of supervisory rules and regulations surrounding existing occupational pension plans, in both the private and public sectors, would need to be modified in a number of ways to facilitate a broader adoption of a phased-in approach to retirement. This regulatory barrier also exists for defined benefit plans. In addition, regulations do not allow employees receiving defined benefit pension payments to earn further pension credits.[13]

Phased-in retirement would allow individuals greater choice as to how and when they would leave the workforce. It could be incorporated as part of an early retirement program or could be applied to people aged 65 years or more.

Actions at the Provincial Level

The formal education system was the target of a number of specific recommendations from business and labour informants. In particular, by far the greatest business concerns at the provincial level related to the adequacy and performance of provincial education systems. In this regard, it was recognized that many of the specific recommendations, while directed at provincial education systems as a whole, might be addressed by provincial education ministries and/or by individual schools or school boards. Individual post-secondary institutions would address others.

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[13] From a recent report commissioned by Human Resources Development Canada and prepared by human resources specialists William M. Mercer Limited, that examines issues surrounding phased-in retirement.

Provinces are urged to review their training and education resource levels to redress the cumulative impacts of provincial budget cutting on education (elementary and secondary as well as PSE), training and apprenticeship budgets.

It was suggested that governments should broaden their definition of high technology beyond computers to include trade infrastructure. If the definition were broadened, the criteria of grants could be broadened as well. This would assist community colleges, which have lived with severely reduced budgets for many years, to begin the renewal of infrastructure necessary to support the development of a skilled workforce.

Some provincial initiatives such as Ontario's Access to Opportunities Program, which is geared to the high technology sectors, signal that governments are starting to reinvest in higher education. One issue that has been raised in relation to such programs is that the targeting of a few selected academic fields – which, incidentally, often receive the lion's share of private donations – can create an imbalance with respect to other departments. The central message is that flexibility must be built into new funding programs in order to accommodate evolving mandates and priorities.

Labour and business recommended that industrial arts programs be introduced and/or improved at the elementary and secondary levels. This could give students a practical point of reference to see the relevance of their mathematics and physics courses. In many jurisdictions, innovative approaches are already underway. One Winnipeg high school, for example, teaches robotics with computerized design equipment. The mathematics and physics taught in the school are fashioned around the robotics program, which gives a practical context for learning. The program partners with the Canadian Manufacturers and Exporters, and includes regular exposure of teachers to industry to keep up with developments there. Some industrial arts courses provide students with credits towards apprenticeships. Another measure could be scholarships for students entering the trades.

There was a strong view in both constituencies that provinces and schools must address a perceived bias among guidance teachers, as a result of which students are often directed to university studies upon graduation, at the expense of community colleges and, particularly, of the trades. These negative perceptions of the trades, combined with those of students' parents, were seen as instrumental in steering students away from these fields and the opportunities they offered.[14]

Labour and business participants talked of the need for laddering arrangements, thereby increasing opportunities for students and tradespersons to follow apprenticeship programs to community college and then to university. For many, the 'dead end' image of the trades was linked to the absence of laddering arrangements.

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[14] Similarly, representatives of specific sectors such as steel, microelectronics, or manufacturing as a whole saw a need to promote the opportunities offered by their sector to high school students, and looked for opportunities to do so.

An interesting initiative is the Certificate in Professional Studies being delivered in Québec's school boards. The Certificate targets those who did not complete high school but who successfully completed technical training in one trade area. This type of initiative could complement efforts in prior learning assessment.

Both parties agreed on the need for expanded co-op, internship and work experience programs to improve both the employability, attitudes and work skills (including interpersonal, communications, team work, and planning and management skills) of students. Such initiatives would require much higher levels of partnership with local employers and unions.

Actions at the Post-secondary Education Level

In discussions[15] with representatives of the post-secondary education (PSE) sector, skills and labour shortages were addressed from two perspectives. First, post-secondary institutions are facing issues similar to those experienced in other sectors recruiting and retaining people with the right mix of education, training and experience, especially (but not exclusively) at the senior faculty level. (Some indication of the extent of this challenge is presented earlier in the section on Demographic Issues.)

Second, discussions revolved around the role of higher education in meeting the economy's broader skills needs.

The two perspectives are, of course, linked. Post-secondary institutions must have sufficient numbers of qualified faculty (as well as adequate levels of financial resources and support, up-to-date equipment, facilities and infrastructure, etc.) if they are to continue to provide world-class higher education to the next generation of college and university students.

PSE institutions are taking a number of creative steps to alleviate their critical financial and human resource needs. These include diversification of funding sources to fill the gap caused by reduced government funding; non-financial incentives as a way to attract new faculty and other categories of personnel, and improve retention of existing staff; and new forms of workplace arrangements, in a context of renewed labour relations. Representatives from the academic community also pointed out that the financial picture is showing signs of improvement, as some governments are gradually beginning to invest again in post secondary education as a whole.

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[15] Given the importance of the formal education system in addressing the skills agenda, CLBC, in the context of the extensive consultations with the labour and business constituencies, also initiated discussions with selected representatives of the academic community. Their comments, reflected in this section, should not necessarily be construed as representative of the broad academic constituency. They do, nonetheless, provide a valuable snapshot of the issues facing the PSE sector, both in terms of meeting its own needs for skilled workers, and in terms of meeting the skills needs of the economy as a whole.

Business informants also addressed the post-secondary sector with a number of suggestions. They urged that colleges and universities improve their recognition of qualifications across institutions; and that they become more "market-driven" and more open to business assistance (see "Actions by Business", below).

Increase PSE participation rates and the number of PhDs?

The question was raised as to whether a strategy of increasing participation rates for higher education could alleviate skills shortages in Canadian labour markets. For some informants, this question belongs to the broader debate about the importance of higher education for Canada's rank in the world economy and its citizens' well-being. When probed on the question of whether increasing the supply of PhD degrees would ease skills and labour shortages in the broader economy, opinions differed. For example, it was pointed out that some employers have unrealistic assessment of their needs for employees with graduate degrees.

Related to this is a corresponding under-appreciation for people with training from a technical college. One university representative felt that a strategy designed to increase participation rates and, by extension, enrollment would not necessarily bring about desirable benefits, since it would attract to the universities students who do not necessarily need a university education or those who do not possess the ability or aptitudes required to pursue higher education. Another felt that increasing the pool of PhD holders is a legitimate goal, since a large proportion of these persons end up working in the private sector (in addition to the academic sector), where specific shortages exist.

Develop less specialized curricula?

There was a fair degree of agreement amongst academic participants that less specialization in university and college curricula is desirable. Several informants mentioned that financing certain disciplines at the expense of others, or providing students with a highly specialized education, might be counterproductive and not necessarily solve structural problems in the economy. Likewise, the AUCC argued that, given the inherent difficulty in predicting labour and skills shortages, and in light of the speed at which universities can reallocate resources to areas of needs, a focus on developing a broader skills set may be more appropriate.

Some universities and colleges are modifying their program curricula to reflect a trend toward less specialization. At the University of Ottawa, for example, undergraduate students will be given an extra year in liberal arts, starting in September, 2002, meaning that the first two years of their degree will not include specialized courses. Changes of this nature may be indicative of a heightened awareness among educational institutions of the importance to provide students with technical and so-called softer skills.

Partnerships with the private sector

Respondents from both the colleges and the universities have provided examples of fruitful university — private sector collaboration. In Ottawa, partnerships between the

universities and firms operating in the high tech sector have led to innovative practices, such as[16]:

- MITEL, a high tech company located in Kanata, Ontario, a few years ago launched with the University of Ottawa a program called Venture and Training for Engineers and Scientists. The program originally involved MITEL paying for students' tuition and living expenses, and a salary during the students work at MITEL as part of the university's co-op program. The program has since been expanded to other educational institutions and private companies.
- Nortel Networks provided a $5 million scholarship fund, to be used over five years, to Carleton University (in Ottawa, Ontario). The scholarship fund has helped the university attract promising undergraduate and graduate students to the institution.

At a recent conference of the Association of Canadian Community Colleges, the call was made to increase collaboration between community colleges and business, through staff exchanges, supplying colleges with new equipment, and active participation on colleges' program committees.[17] Examples such as those abound and they exemplify the potential for increasing education — private sector partnerships.[18]

Actions by Labour

There is a visible distrust and cynicism within the labour community as to whether federal government action on the skills shortage issue will lead to any benefits for union members. It is therefore not surprising that the proposals offered by the labour community for the most part require legislation (i.e. action by government) or are situated in the framework of collective bargaining (i.e. negotiated agreement to action by management and labour). They try to address both the skills shortage and the people shortage.

For many of the labour informants, the skills issue needs to be framed around accessibility:

- Access to accurate labour market information
- Access to literacy programs
- Access to basic skills program

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16 From consultations with academic representatives.

17 Perrin Beatty, Keynote speech on Skills Shortages, ACCC Conference, May 29, 2001, Windsor.

18 It should be pointed out that labour is less enthusiastic about the value of such partnerships. Some labour people feel that these arrangements give business too much influence over education. "The more educational institutions depend on the private sector for money, the less accountable education is to the public."

- Access to workplace skills upgrading
- Access to income support while training
- Access to credentials that are recognized across the country
- Access to adjustment programs for displaced workers

Informants identified a number of important steps that should be taken by the labour constituency, and emphasized the need for improved sharing of information among and between unions, labour bodies and sector councils. This could prove valuable in the development of relevant training programs for the skilled trades in critical sectors of the economy.

The Collective Bargaining Process

Many unions are using the framework of collective bargaining to press for training. There are many examples of innovative and creative programs operating at the community or workplace level. They are often the result of the collective bargaining process. In some cases, it is because there has been a strong local champion who has supported a particular program. There are examples of many partnerships that have come together to address a particular need.

Some recent examples include:

- CUPE and the City of Winnipeg have negotiated in their current collective agreement a $3 million education fund to help people upgrade their basic skill — i.e. achieve their General Education Diploma and also to train for the skills of the future.
- CEP has negotiated a training program for its older linesmen to provide a transition from very demanding physical work to work more appropriate for their age group.

Labour respondents acknowledged that some collective agreements could be an obstacle to Prior Learning Assessment and Recognition, as they do not always establish a distinction between qualifications and competency.

Many unions have started to incorporate into their collective agreements specific ratios of apprentices to every skilled worker. This is one approach to addressing the looming demographic crunch. Some labour participants would like to see companies that follow this approach rewarded either through tax credits or payroll tax reductions.

Examples of this are:

- CEP and the Pulp and Paper Woodworkers union have proposed one apprentice position for every five skilled tradespersons.
- CAW and the Big Three Auto companies have negotiated in their current contracts a ratio of one apprentice for every seven skilled tradespersons.

Training

Recognizing that the likelihood of a national training tax is somewhat remote, many unions are proposing training funds, similar to the arrangements between the City of Winnipeg and CUPE. These training funds would be established and jointly administered to assist those workers currently working for the City to upgrade their skills with either basic programs (literacy, numeracy, etc.) or with courses that provide them with the skills needed for the future.

The training funds could be an innovative way to help older workers make a transition from one job to another. Rather than lose older workers to long term disability or early retirement, training could be provided to allow people to use their current skills in a different fashion.

Older workers have skills and abilities that can be utilized rather than being lost when workers retire. In Ontario, the Ontario Secondary School Teachers Federation (OSSTF) has developed a protocol for allowing people in industry to be certified as teachers. These instructors are paid according to the salary scales set by the OSSTF.

Phased-in retirement might be a method to encourage experienced workers to mentor younger workers. A mentoring program would help younger workers solidify skill sets that are learned in an academic setting.

Labour respondents urged stronger support for union training centres and programs, and greater co-operation between public and private sector unions on training. Many private sector unions, particularly in the construction trades, negotiate training through their training trusts. The training trusts are run by the unions, usually on their premises. Many of the public sector unions, especially those who work in the community college system, view this as a competitive system. The labour movement recognizes that there is much to be gained by working co-operatively.

Some university administration representatives mentioned that they are looking at new working arrangements — alleviating the teaching load of faculty by hiring so-called teacher masters, hiring retired professors on contract for teaching and student supervision duties, moving lecturers into the faculty stream, and so on — as possible solutions to their recruitment and retention difficulties. Such avenues can only be explored in the context of new collective agreements and will require support from labour.

Working with all groups in the labour market

There is a recognition that the labour community needs to communicate with the aboriginal population. There are cultural differences that need to be addressed. The aboriginal population, particularly in the Western provinces, will make up the majority of new entrants to the labour market in the coming years. A number of unions such as USWA have developed specific programs to address the needs of aboriginal workers.

Similarly, labour recognizes the importance of working more extensively with new immigrant communities, many members of which have specific needs such as basic ESL or FSL language training.

Actions by Business

Many business representatives expressed the need for the business community to 'step up to the plate' to play its role in addressing skills issues. As described by business respondents, this role has a variety of dimensions.

The Business Training Effort

There is recognition that higher levels of training will be needed in future to offset difficulties in recruitment. The point was also made that such training levels should not be reduced at the first sign of an economic downturn.

In response, the Canadian Manufacturers and Exporters have undertaken to champion an industry initiative to expand private sector training.[19] Leadership of this sort is necessary to draw attention to current training levels and the need to increase them.

Modular Training

As one business representative put it, "we have to decide on the kind of training we want". This issue, most vocally evident in our meetings in western Canada and with representatives of residential and non-residential construction, reflected two different views of skill training approaches, particularly in terms of apprenticeship.

One group favoured a full apprenticeship approach to trades training, in which certification, and the mobility rights that accompanied this, would be granted after completion of a full apprenticeship program which included all aspects of the trade. Another favoured a modular approach to training in which recognition of completed modules (some of which might be in different trades areas) produced workers with skill sets more tailored to particular employer needs.

The viability of and support for modular training varies from sector to sector.

Effective Apprenticeship

Business respondents identified a critical need to improve approaches to apprenticeship by enhancing the attractiveness of the trades and the effectiveness of trades training. On both of these fronts, the role of employers will be critical to success. In partnership with provincial governments, employers will have to take greater ownership of the system to make it work for them.

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[19] Canadian Manufacturers and Exporters, "Ten Point Plan", op.cit.

Alberta's industry-led apprenticeship approach enjoyed strong support from both industry and government. The system, based on local and regional industry committees with labour and business representation, produces curricula which meet industry needs in a flexible way and maintains industry 'ownership' of the system. Significantly, the provincial government supports the work of these committees through staff and secretariat roles.

All parties must take opportunities to share and co-ordinate approaches across jurisdictions through organizations such as the Canadian Apprenticeship Forum. The Canadian Manufacturers and Exporters, for example, is making industrial apprenticeship a priority for its members.

Many employers pointed to the need to support and promote specific initiatives such as the Skills Canada competitions, to create visibility and publicity for excellence among trades trainees.

Effective Links to the Education System

Partnerships with schools, which many business representatives identified as essential,[20] require the active involvement of employers. The opportunities to use business representatives and resources to support educational institutions are many and varied. They include, for example,

- Providing opportunities for co-op placements or internships;
- Participating on curriculum advisory committees;
- Programs to exchange business and teaching staff, in either direction;[21]
- Arrangements whereby business could contribute and regularly renew the equipment being used in institutions, in return for training places or other considerations;[22]
- At universities, the funding of research chairs in particular fields, which would serve to keep top academic staff in Canada and with them, a core of

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20 See footnote 16.

21 In the Manitoba aerospace industry, a program has been set up under which a teacher spends a year in the industry to do a specific agreed-upon project with a skills or training focus. In some cases, teachers have sat on industry hiring panels; in others, they have overseen the development of skills-based, company-wide occupational profiles.

22 Durham College has agreements in which local employers regularly update the equipment it uses in its courses. Ontario Power Generation is part of a consortium of employers that supplies tools and equipment to colleges, as well as co-op opportunities, in return for training aimed at industry needs.

graduate students which would be the source of further academic staff and professionals in these fields.[23] [24]

In addition, while larger employers were likely to have the human and financial resources to participate in these partnerships, there was also a clear need to find a way to engage smaller employers and their workers in this way.

Business Actions on Credentials Recognition

There is a need for employers to add their voice to that of foreign-trained workers in pressing for improved credentials recognition processes. The Canadian Manufacturers and Exporters and the Business Council of British Columbia were among the business associations calling for improvements in this area.

Since provincially-mandated credentials assessment agencies exist in four provinces, employers and their associations are well positioned to encourage their use and to provide opportunities for them to publicize their services. Employers should also consider engaging provincial regulatory and licensing bodies in discussions of how to speed up the process by which these bodies grant recognition of foreign credentials.

Finally, a number of business respondents noted that effective recognition of the work experience of foreign-trained workers constitutes a further means of identifying the skills they bring to Canadian employers. Prior Learning Assessment and Recognition (PLAR) approaches constitute a valuable tool in this regard, and should be used more extensively by employers in these assessments.

Creating Opportunities for Aboriginals

Business respondents, particularly in Manitoba, Saskatchewan and Alberta, were very sensitive to the need to include Aboriginals effectively in the work force. Many noted both the obstacles to be addressed in this regard and examples of partnerships between businesses or business associations and aboriginal organizations that were designed to address these obstacles.

Such partnerships, many of which involved job training, placement and mentoring, were seen as leading the way for expansion to include more businesses and more placements. The need, again, was for employers and employers' associations to come forward to participate actively in such initiatives.

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[23] For example, the Strategic Microelectronics Consortium is working on Empowr, a program in which matching industry and federal government contributions of $500 million will fund five research chairs in microelectronics.

[24] Similarly, Ontario Power Generation is funding Research Chairs in nuclear engineering in five Ontario universities, to retain key staff and students and provide an ongoing source of qualified engineering expertise.

Conclusions

The key purpose of this consultative process was to identify solutions and opportunities for action related to the priority issues identified by labour and business, and to identify who should be carrying out these actions.

The issues underlying skills shortages challenges are numerous, complex, and, in some instances, divisive. There is no doubt that a number of strongly held convictions, in both the business and labour constituencies, can act as red flags that present serious obstacles to dialogue, let alone agreement on approaches and solutions.

Still, as the report illustrates quite clearly, business and labour share a number of perspectives on many of the core issues that must be addressed.

Some of the actions suggested by participants aim to solve immediate or near-future problems. Others are longer term, and aim to facilitate the forging of a skilled labour force to meet the needs of the overall Canadian economy in the face of major demographic change. Some of the solutions will require legislative, regulatory, jurisdictional, or formal education system and curriculum changes. Others look to the collective bargaining process, workplace practices, and partnerships, collaborations, and sharing of information and best-practices between and among companies and sectors.

None of the suggested directions and approaches is, in and of itself, a solution to the skills challenge. Many of these suggestions represent significant changes in direction and attitude, and therefore will require detailed examination and consultation involving key stakeholders.

What is needed is a combination of initiatives at all levels, by all stakeholders, over time, beginning now: what informants called "a will and a way to act". For most participants in the consultations, there was no 'silver bullet' that would solve all of Canada's skills issues.

This is a national and societal challenge. Business and labour participants call upon the federal government to demonstrate leadership, and to send an unequivocal signal to all stakeholders that the skills agenda is of utmost priority to ensure Canada's continuing competitiveness, prosperity, and quality of life. Federal leadership is needed to deal with jurisdictional issues, and to facilitate collaboration amongst all orders of government, and with other stakeholders.

The Canadian Labour and Business Centre will continue to focus on identifying and furthering development of measures to address the skills challenges. As our Board of Directors stated at the outset of the consultations, what is needed is not further diagnosis of the issues, but solutions and opportunities for action.

Appendix I

Skill Shortages Consultations with the Canadian Business Community

I. Background to the Consultations:

The issue of Skill Shortages has occupied the attention of the Board of Directors of the Canadian Labour and Business Centre since late 2000[25]. In its discussions of this subject, the Board has identified five broad aspects of the issue which are of greatest concern to labour and business in Canada. These are:

- **Demographic issues** (Aging work force and retirements, attraction of women, aboriginals, and other groups into specific key occupations)
- **Training, Education and Human Resource Development Issues** (Do new labour market entrants have the right skills? Do current employees receive enough training?)
- **Trades/Technology Issues** (Image of the trades/technical occupations; apprenticeship questions.)
- **Education-work transition** (Do school-leavers move into the labour force efficiently?)
- **Labour mobility, immigration, and credential recognition** (Could we make better use of our existing skill base by enabling greater mobility and recognizing workers' skills more affectively?)

Reflecting the federal government's interest in consulting widely on skill shortages issues, and the clear interest of business and labour in skill shortages questions, Human Resources Development Canada asked the Centre to undertake a program of consultations with the business and labour communities to explore these issues in more depth. The focus of the consultations was not on further diagnosis of the skill shortages issue, but rather on approaches to addressing these pressing problems.

Accordingly, during April and May 2001, senior Centre staff conducted a series of consultations with labour and business organizations across Canada to engage these constituencies in discussions of skill shortages problems and solutions. This report constitutes the summary of the discussions with the business constituency.

II. A Business Overview of the Issue

The business consultations included a very wide range of participants in all parts of the country, from a variety of sectors and firm sizes[26]. While there was not universal

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25 The CLBC held two Board Forums on the issue, on October 20, 2000 and February 28, 2001. The discussions are summarized in the Centre's newsletter, Working Together, Ottawa, Winter 2000-2001.

26 The business associations consulted are listed in Annex 1.

agreement on the key features of the issue, there were a number of themes which were common to business perspectives in many sectors and regions.

Significantly, there was also, in very many regions and sectors, a clear frustration with Canada's collective inability to deal effectively with these issues. Informants pointed out many instances where the key problems had remained unchanged, in many cases for decades, yet no significant progress had been made in dealing with these. There was thus skepticism in some corners about whether this set of consultations would make any real difference.

Key themes included the following:

(i) Fiscal Policy Issues

At the most aggregate level, many respondents began by noting a number of long-standing business perspectives on broad fiscal policy issues which they felt needed continued attention as part of an overall approach to economic growth and competitiveness.

They noted first that despite recent changes, Canada's personal income tax rates remained uncompetitive with those in the United States. This would have to be addressed as part of an overall effort which will be required to attract and retain the economic leaders who will provide the innovation and vision which Canadian business will need to remain internationally competitive[27].[28] Other aspects of that effort included providing competitive compensation, excellent working conditions, and leading edge opportunities, among others. Failure to retain these leaders, it was noted, risked making Canada 'an engineering outpost' of firms whose key decision makers were elsewhere.

A second major concern of a number of informants was that payroll taxes continued to increase the cost of hiring and absorb funds which might otherwise be used by employers to hire and/or train the employees they need. In particular, there was an important need for the federal government to reduce Employment Insurance premiums.

Many respondents reiterated concerns that Employment Insurance benefits remain a disincentive to work, and a disincentive to move to seek work. In particular, they felt that recent changes in EI legislation which removed the penalties for repeat use of the program, actually reversed earlier changes and worked to discourage labour mobility.

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27 d'Aquino and Stewart-Patterson, op. cit., pp 166-170.

28 The Canadian Chamber of Commerce has consistently pushed for broad-based tax cuts. For example, see Resolutions 2000, Canadian Chamber of Commerce Annual General Meeting, October 2000.

(ii) Demographics

As the work force ages, retirements loom larger for many businesses, bringing with them the issue of replacement of retiring workers. These issues are particularly acute in industries such as steel manufacturing or construction, in which the 1990's brought adjustment and layoffs and negligible new hiring. As a result, the work forces of many similar 'mature' industries are very old. For example:

- The steel industry estimated in 1999 that during the next 5 years, one third of its work force would be eligible for retirement[29]. The industry voiced concerns not only about who will do the work in future, but also about who will lead and participate in the transfer of skills and know-how to the next generation of steel workers.
- In the construction industry in 1999, 30% of the labour force was over 45 years of age.[30]
- The Canadian Manufacturers and Exporters listed Tool & Die Making and Machining among their top five skill shortage areas in 2000.[31]

Attracting new workers into these industries and/or trades thus becomes a priority concern and raises further issues such as these industries' or occupations' public 'image' and attractiveness. At the same time, increasing the skill levels of existing employees in order to help them keep pace with changes in technology becomes a higher priority.

In some regions, out-migration had made demographic issues even worse. In Nova Scotia, Manitoba and Saskatchewan, for example, respondents noted that loss of workers in the prime of their careers to other regions simply added to the losses from retirements.

Business respondents also recognized, of course, that new sources of workers remained underutilized. In particular, respondents in western provinces such as Saskatchewan and Manitoba noted that aboriginal Canadians will constitute a very significant proportion of new labour market entrants in those provinces during the next decade. The challenge of including them as highly productive members of the labour force must be addressed on an urgent basis. Reconciling and/or accommodating cultural differences between natives and non-native employers constitutes a central aspect of this issue.

Business respondents also recognized the need to include more women and other groups in non-traditional occupations such as the trades. In this, the image of the trades themselves, discussed in more detail below, constitutes an impediment to be addressed.

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29 Canadian Steel Trade and Employment Congress, Survey of the Steel Industry, Toronto, 1999, page 3.

30 Labour Force Survey data as cited by Prism Economics and Analysis, in Tracking Shortages, presentation at Canadian Construction Association Labour Relations Conference, November, 2000.

31 Canadian Manufacturers and Exporters, 2000-2002 Management Issues Survey, Rogers Media, Toronto, 2000, page 28.

(iii) The Skills of New Labour Market Entrants

Many business respondents feel that new graduates, especially at the high school level, lack skills which will be necessary in the work world. Many expressed concern that high schools no longer maintain an industrial arts program which will give its graduates practical skills. For others, while co-op programs provided similar skills, there were not enough of such programs. The Canadian Federation of Independent Business was particularly concerned about this issue, citing survey results which indicated that the proportion of its members who felt that schools provided the wrong kind of training varied from 15% in Alberta to 31% in Quebec[32].

For many respondents, the type of skills graduates were lacking included interpersonal ('customer service') skills, communications skills, teamwork skills, and positive work attitudes. Others cited inadequacies in basic literacy, numeracy and computer literacy. British Columbia construction industry representatives, for example, noted that many of the applicants for apprenticeships could not be accepted simply because they lacked these basic skills. Similarly, the Canadian Home Builders Association pointed to the great importance of interpersonal skills for tradesmen working in customers' homes.

In the view of many business respondents, the lack of these practical skills and orientations, accompanied by poor guidance advice, meant that young graduates did not consider entering the trades upon graduation. It often may take a further decade before young people decide to pursue a trade – a period of time which, for many, represents a very 'inefficient' movement into the work world.

(iv) The Image of the Trades and the Efficiency of Labour Market Entry

Perhaps no other single issue was as consistently mentioned by business informants as the poor image of the trades and technology occupations. Many respondents contrasted Canada's cultural low valuation of the trades to that of European countries, where the trades' status was very much higher. For many respondents, the key factor was *parents'* attitudes to the trades, which shaped the attitudes and choices of their high school children, particularly young women.

For others, this poor image was further linked, in part, to a system of high school guidance (termed 'elitist' by one respondent), which was effectively biased against the trades in favour of university or college educations. Guidance counselors were perceived as having little practical knowledge of the trades, and thus as unlikely to promote them to any but those students 'unable to do anything else'.

Yet other informants criticized the lack of an 'industrial arts' component in high school curricula, which would introduce students to the trades, or bemoaned the lack of exposure of students, even in elementary grades, to the trades.

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32 Canadian Federation of Independent Business, Help Wanted: Results of CFIB Surveys on the Shortage of Qualified Labour, Toronto, 2001, p.6.

For many, the 'dead end' image of the trades was linked to the absence of laddering arrangements whereby a tradesperson could pursue his/her education at community college and then university. This was reinforced by the poor promotion of the trades as a step towards self-employment. The absence of such arrangements, and the lack of publicity for those which did exist, prolonged the view of the trades as a career with little future.

Yet this difficulty in recruiting in the trades, while prevalent, was not universal. In British Columbia, for example, construction industry respondents reported waiting lists for apprenticeships in many construction trades. The issues in these cases revolved around the suitability of the applicants' basic skills, and are discussed in a later section.

(v) The High Tech Labour Market

Skill shortages in this area have received enormous publicity in the last several years. It has been noted that 'high tech' relates not only to the software and microelectronics industries, but also to the requirements for highly educated workers in engineering, computers/systems and design, among others, in knowledge intensive industries such as automotive, aerospace, and biotechnology[33]. The dramatic growth in the information technology sector world-wide, coupled with the changes in technology and manufacturing processes in other sectors, has led to a very rapid increase in requirements for these skilled workers, in Canada and elsewhere.

Business spokespersons from this sector have noted that Canada must recognize that it is part of a world-wide labour market for many of these skills, and act aggressively to attract and retain these workers. This has in turn raised a number of concerns from a business perspective, including:

- Whether the number of university and college graduates in key disciplines is sufficient to meet Canadian requirements;
- Whether immigration regulations and procedures can be streamlined to permit Canadian employers to recruit these skills internationally;
- Whether Canadian salaries, tax levels, and 'quality of life' are sufficiently competitive, especially with those in the United States, to prevent a significant 'brain drain' to that country.

Notwithstanding the current slowdown in activity in many of these industries, concerns remain that Canada's ability to produce, attract and retain such top talent will heavily influence the country's future growth, competitiveness, and living standards.

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[33] These were among the industries studied in depth by the Expert Panel on Skills in 1999-2000. They are described in the Panel's Report, Stepping Up: Skills and Opportunities in the Knowledge Economy, Ottawa, 2000.

(vi) Creating, Attracting and Retaining Leadership Talent

Meeting our needs for technically skilled and professional workers is an important aspect of a broader issue, one of creating, attracting and retaining leadership talent in general. Senior management of the Business Council on National Issues have addressed these more strategic issues in a recent book[34], in which the authors cite the critical need for Canada to put in place the conditions which develop, recruit and retain leaders in all sectors. These include not only competitive taxation regimes, but also making better use of the talent we have, attracting more talent to Canada, and expanding our pool of talent through the education system.

The Expert Panel on Skills and the BCNI authors, above, raised the issue of opportunity at the national level and with it, concerns regarding 'brain drain'. As the Expert Panel noted, "We must also ensure that highly skilled and educated Canadians have the opportunity to put their skills to work in Canada"[35].

In addition, a number of those consulted in the business community identified a perceived lack of opportunity as one reason why particular regions were unable to attract and retain the talent they required. In Saskatchewan and Nova Scotia, for example, concerns were voiced that small communities in those provinces are unable to attract the professional and technical skills they require either because of a perceived lack of local advancement opportunities, or because local lifestyles were not seen as suited to young professionals without families.

(vii) Making the Best Use of the Skills We Have

Workers Can't Move

In many regions and sectors, impediments to inter-provincial labour mobility were cited as key problems. Among national business associations, the Canadian Chamber of Commerce has been particularly vocal on this issue; in recent years its members have passed numerous resolutions to promote labour mobility in Canada[36]. The CFIB noted similar concerns, as did informants in several regions.

In the construction industry, mobility issues were particularly acute. The cyclical nature of the industry means that there may be trades surpluses in one region coexisting with shortages in another. Yet in many trades the ability of tradespersons to move from one jurisdiction to another is impeded by inter-provincial differences in certification and standards, despite the operation of the Red Seal Program.

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34 Thomas d'Aquino and David Stewart-Patterson, Northern Edge: How Canadians Can Triumph in the Global Economy, Stoddart Publishing Co. Ltd., Toronto, 2001.

35 Op. cit., page 4

36 See for example, the Resolutions of the 71st Annual General Meeting of the Canadian Chamber of Commerce, Ottawa, October 2000.

In the view of many construction representatives, furthermore, the real irony is that Canadian tradespersons are highly valued in the United States, and have relatively little difficulty in moving there, where they earn attractive wages in US dollars.

Similarly, it is very time-consuming to transfer apprenticeships between provinces, with the result that many laid off apprentices leave the industry rather than try to move to another jurisdiction. The time spent in apprenticeship is thus largely wasted.

The cyclical nature of the construction industry also means that apprentices, among the first to be laid off, risk leaving the industry. In addition, once laid off, unemployed 4th year apprentices are also most difficult to re-employ than 1st year apprentices, whose wage costs are lower. The risks that training will be wasted increase.

For most respondents, obstacles to inter-provincial mobility derived from the practices of provincial/territorial regulatory bodies, whose licensing and certification requirements varied across jurisdictions. Others criticized the Agreement on Internal Trade as being 'toothless' in its ability to meet its labour market mobility provisions by the July 1, 2001 deadline date.

Workers Won't Move

Some business informants also cited the other side of the mobility issue, which is that, even when faced with job opportunities elsewhere, some individuals will not move. Strong ties to their home community and income maintenance programs were cited as contributing to this phenomenon. In one eastern province, the problem was expressed in terms of movement *within* the province, where inhabitants of some small communities would not move to others.

Several business organizations pointed to the recent loosening of the Intensity provisions of Employment Insurance as a counterproductive measure which would work against labour mobility by making it easier for workers to stay put.

(viii) The Structure of Trades Training Programs

The consultations encountered an active debate within the business community on how to define the trades and how to structure trades training. This debate was most apparent in British Columbia, and within the construction industry.

On the one hand, some employers, often in the unionized industrial, commercial and institutional construction sector, argued for a strengthening of traditional apprenticeships leading to fully qualified and certified journeypersons, especially in compulsory trades. This would maximize the mobility of such workers, as well as their flexibility in performing any aspect of their trade, as required. Anything less, in their view, would contribute to a de-skilling of the trades, and a reduction in the flexibility and mobility of skilled tradespersons.

In contrast, other employers argued for a modular training approach, in which recognition was given for individual training modules or intermediate levels, short of a full journeyperson ticket. Modules from several trades could be combined to result in a multi-skilled individual capable of performing a variety of functions as required in his/her work situation. Such workers, appropriately credited with the training modules they had completed, would be very flexible, and would use all their skills on a regular basis. They would also be available at a lower hourly rate than a fully certified tradesperson, who might use only a small subset of his/her skills on a given job.

The Canadian Home Builders' Association was an articulate proponent of this latter view, citing a study[37] focused on the residential construction industry. Similarly, recommendations for the development of training modules, and for multiple levels of proficiency in compulsory trades, have recently been made in British Columbia.[38]

Regardless of the nature of the trades training process, employers in some jurisdictions expressed dissatisfaction with various aspects of apprenticeship systems, which they saw as slow to change, under-resourced, or unresponsive to employers' needs. Examples were cited where it had taken years to get new trades recognized, where apprenticeship committees had not met frequently enough to be effective, or where colleges had focussed on trades which cost less to train, at the expense of more-needed trades whose programs were more expensive. In the opinion of others, the opportunity to use training technologies to facilitate block release had not yet been sufficiently explored.

In Saskatchewan, for example, concern was expressed that in training production welders for agricultural implement manufacturing, community colleges provided workers with skills far in excess of those needed by Saskatchewan employers, leading to a loss of many of these workers to the Alberta oil industry. Because the training was not geared to provincial employers' needs, the shortage of production welders persisted.

(ix) Maintaining, Enhancing and Upgrading Employees' Skills

Many of the issues raised above in the context of trades training were also relevant to training more generally. In particular, questions around modular training, flexibility, and multi-skilling apply well beyond the boundaries of the trades. Most employers looked for ways to enhance this flexibility.

Over and above the specific issues around trades training, however, there was strong recognition in many regions and sectors that employers would have to concentrate more on training and retraining their work force as a whole in order to maintain

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37 Morley Gunderson, Skill Shortages in the Residential Construction Industry, Report to Canada Mortgage and Housing Corporation, Toronto, 2001, page 105.

38 Gary Johncox, Compulsory Certification in Selected Trades: Where to from here in B.C.?, Vancouver, 2001.

competitiveness. This having been said, there were a variety of obstacles and issues identified[39] which inhibited training efforts and prolonged skill shortages.

First among these was the inability of employers to free up employees to take training. Such practical scheduling problems limited the frequency and duration of employees' training opportunities.

Second was the cost of training. A number of firms noted that the costs of training were greatly increased if non-training firms simply 'poached' trained workers away from where they had been trained. Firms facing this situation found it difficult to maintain the incentive to invest in training to a significant extent. Many looked to sectoral arrangements such as sector councils as a way to share common training costs.

A further difficulty related to the perceived responsiveness of education/training institutions, in identifying a firm's training needs and tailoring and scheduling a program to meet those needs. The Canadian Manufacturers and Exporters have identified this 'disconnect' between industry and public educational institutions, noting that strong linkages between the institutions' programs and the needs of industry are essential.[40]

While many business respondents could point to instances where these linkages had been made very successfully, others identified opportunities missed. In one specific case, one high-tech employer group[41], frustrated with what it considers an unacceptably slow response from the universities to recognize microelectronics fields as a separate aspect of a new curriculum, has begun to discuss the issue of a private university. In general, there was considerable room for improvement in the development of such training partnerships.

A number of employers noted that training was increasingly becoming a responsibility shared by both employer and employee. More firms are putting greater responsibility on employees to keep skill sets current – a development likely linked to lower levels of employee/employer loyalty and the greater likelihood that an employee, once trained, might take these new skills elsewhere.

Finally, as noted by the CFIB in particular, these needed improvements in training should not ignore the high degree of informal, work-based training which already occurs in firms, particularly among small and medium sized employers.

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39 These were identified in some detail by the Canadian Labour and Business Centre in a report based on its 2000 Viewpoints Survey. The report was entitled Barriers to Training: A Management and Labour Consensus, Ottawa, November 2000.

40 Perrin Beatty, Overcoming Labour Shortages: CME's 10-Point Plan, in Viewpoint, Canadian Manufacturers and Exporters Magazine, March/April 2001 edition

41 The Strategic Microelectronics Consortium is a not-for-profit industry association dedicated to the growth and development of microelectronics in Canada.

(x) Immigration as a Source of Skills

The majority of business respondents felt – many of them quite strongly – that increasing immigration in key occupations and skills was highly desirable and would contribute, at least in the short term, to easing some types of skill shortages. Respondents from the high-technology sectors were strongest in this view, noting the global nature of markets for systems and software professionals. At the other extreme, construction respondents tended to place less priority on immigration while Canadians remained unemployed.

Respondents, however, were also well aware of the limitations on the extent to which immigration constituted a permanent solution to Canadian skill needs. Many noted, first, that with rising standards of living in Europe, traditional sources of skilled immigrants were effectively drying up. Asia and Latin America appeared now to be the main source regions. Canada would have to compete even more aggressively with other highly developed countries for skilled workers from a decreasing number of potential source countries.

Second, several organizations, including the Canadian Manufacturers and Exporters and the Business Council of British Columbia, cautioned that the education, skills and experience of many foreign-trained workers were going unused because they were not recognized by Canadian regulatory bodies. Efforts to remove such accreditation barriers, while protecting professional standards, were thus an essential step if Canada were to make efficient use of all the skills at its disposal.

Finally, in Canadian regions which are traditionally not immigrant destinations, business representatives were raising with governments the question of how to attract more skilled immigrants to those regions.

(xi) The Capacity of Many Parties to Act Together to Address Shortage Issues

Business respondents shared concerns about the impacts of federal/provincial/territorial jurisdictional divisions on Canada's capacity as a nation to address its skill shortage issues in a coherent and consistent way. They pointed in particular to:

- The impact of provincial apprenticeship jurisdiction on the establishment of apprenticeship standards which can support worker mobility among provinces and territories;
- The impact of provincial professional regulatory bodies on the inter-provincial mobility of professional and technical workers and the access to professions and trades;
- Provincial governments' growing interest in immigration and its impact on federal level immigration policies;
- The 'devolution' of training jurisdiction to the provinces, and the potential impact on provincial training resource levels, national standards, and sectorally focused initiatives such as sector councils. (These issues have

been taken to an extreme in Ontario, where no federal/provincial Labour Market Development Agreement exists).

On all of these issues, the business community counts on governments to collaborate to promote labour market efficiency and resist the temptation to simply score political points. Many business respondents, however, reported with some frustration, their views on the slow pace of this collaboration and the resulting impacts on their ability to meet skill needs. One respondent described what he saw as a risk of 'balkanization' of a Canadian response to skills issues which are often national or even international in scope.

Other collaborations involving business were also necessary and often difficult, from a business perspective. These included:

- Collaborations with educational institutions to develop courses/programs which met industry needs;
- Collaboration with secondary schools or school boards to develop partnerships on individual projects or promote best practices;
- Collaboration with unions to find ways to train new skills;
- Collaborations with governments to find ways to streamline individual processes, including immigration.

In this context, some respondents talked of a lack of shared urgency around the skills issue; others talked of a lack of leadership, which could encourage individual parties to move beyond short term agendas or jurisdictional issues to address a larger common – and urgent – problem. As one spokesperson said, "If we put the same energy into the skills issue as we did into deficit reduction, we'd likely get somewhere."

III. Directions For Solution

It is at once clear that many stakeholders would be involved in finding practical solutions to the complex array of skill shortage issues described. Accordingly, this discussion is divided into four sections, according to the potential contributions of individual sets of stakeholders, i.e.:

(i) Creating a will and a way to act;
(ii) Actions at the Federal Level
(iii) Actions at the Provincial Level
(iv) Actions by the Business Community

(i) Creating a Will and a Way to Act

For business respondents to the CLBC consultations, there was no 'silver bullet'which would solve solution to Canada's skill shortages issues. These issues were simply too complex, and involved too many participating constituencies, to be resolved by one party alone, acting on a single front.

On the contrary, what many respondents saw and reported were a large number of individual, often very local, initiatives in which two or three partners had been able to come together to address a particular shared issue effectively. Such 'micro-level' approaches, replicated or adapted many times over elsewhere, constituted, for many, the path to effective solutions.[42]

At the same time, however, business respondents often cited a lack of national leadership on the subject of skill shortages. They pointed in particular to the absence of a single party which could:

(a) raise the profile of the issue to a level needed to stimulate a strategic approach to the issue and concerted action by a wide variety of players (i.e. finding the 'will to act');

(b) actively promote, co-ordinate, support, share, and celebrate actions undertaken by this wide variety of players to address various aspects of the skill shortages issue (i.e. the 'way to act'), through a 'network of excellence'.[43]

Business respondents also identified, as a key government role, the requirement to set human resources development policies which would facilitate the efforts of employers and employees to address their skills issues in ways appropriate to their circumstances. Because there is no 'one size fits all' solution, government must recognize and support a variety of solutions, and facilitate the efforts of all parties to apply these.

(ii) Actions at the Federal Level

At the federal level, many business representatives outlined potential approaches which the federal government might take to encourage human resources development. Some of these concerned changes to existing provisions, others related to possible new ones.

(a) Changes to existing provisions affecting apprenticeship

Two specific provisions, if removed, would facilitate trades training.

First, several observers noted that the absence of a tax credit for the purchase of tools meant that new tradespersons faced often prohibitive expenditures which were obstacles to beginning their journeyman careers. In some trades, tools can cost up to $8000.

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42 The CFIB, for example, noted that, "In discussing solutions, it is important to acknowledge that each labour shortage issue is unique, each with its own unique set of potential solutions" CFIB, Help Wanted, op. cit., p 7.

43 The CHBA felt that the process and structures for establishing the National Building Code might offer some guidance for bringing together a variety of government and industry stakeholders on an issue-focussed basis.

Second, some informants complained that maintaining the two-week Employment Insurance waiting period for apprentices on block release for classroom training effectively stripped these workers of income for this two week period. Since many have family responsibilities and expenses, this was seen as an unnecessary and removable obstacle to their continued apprenticeship.

(b) New policy approaches regarding human resources development

The most frequently discussed potential new initiative was a Human Resource Investment Tax Credit[44], in which employers would receive tax credits for eligible training investments, which might include contributions to the activities of sector councils. There was also interest in the recently announced Registered Industrial Learning Accounts (RILAs) under development by HRDC.

Employers continued to show no enthusiasm for more directed levy-grant approaches such as Quebec's 'Loi du 1%'.

Other suggestions included:

- Forgiveable government loans to students, whose repayment would depend on whether they remained in Canada after graduation,
- Payroll tax credits for hiring and training young workers;
- Scholarships aimed specifically at students entering trades, to attract students into the trades and enhance the trades' image.

In a related vein, the establishment of training consortia for small and medium sized employers, which could assist them in more formal training activities, was put forward as a means of enhancing the extensive on-the-job training already provided by SMEs.

Addressing another aspect of the issue, a number of business respondents, including some in British Columbia and Quebec, sought ways to encourage older employees to work for more years if they wished. Initiatives such as phased in retirement, or extended retirement ages in pension plans, were cited as possible approaches to allowing workers who wished to do so the opportunity to extend their careers.

(c) Immigration Policies and Processes

Recognizing that immigration was only one aspect of an overall strategy to address skills issues, business representatives were nevertheless consistent in making a number of recommendations regarding immigration policies and processes. These recommendations were by no means new, and were made in the awareness that new immigration legislation is before Parliament. Nevertheless, the business consultations reinforced and reiterated ongoing business concerns that Citizenship and Immigration Canada place a priority on:

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[44] British Columbia's Industrial Training and Apprenticeship Council (ITAC) lists this as one potential initiative to be explored.

- Changing immigrant selection criteria to make these more responsive to Canada's labour market needs, and more flexible in recognizing immigrants' skills, rather than just their occupations;
- Streamlining immigration processes to permit a faster and more transparent movement of skilled immigrants through the 'system' and into Canada;
- Developing 'fast-track' immigration processes in fields in particular demand, such as microelectronics, similar to those already developed in the software industry;
- Providing far better information and advice to prospective immigrants, before they leave their home countries, about the realities of the labour market and credentials recognition processes they will face in Canada.(As one participant put it, this would move beyond the government's current practice, which appeared to be one of "seduction and abandonment");
- Introducing measures to grant landed immigrant status to foreign students graduating from Canadian universities and colleges, if they seek it.

(d) Agreement on Internal Trade, Chapter 7

Business representatives were virtually unanimous in their view that internal barriers to labour mobility must be reduced or eliminated. They cited the deadline date (July 1, 2001) by which provincially-mandated regulatory bodies are to have achieved a mutual recognition of credentials, and called on governments at all levels to exercise the political will to enforce this deadline or respond decisively regarding those bodies which fail to do so. Otherwise, as one business informant noted, the AIT would be viewed as 'toothless', and an example of governments not living up to their agreed-upon responsibilities.

Examples of Canadian and international best practices were cited, to suggest that progress was possible. For example:

- The Atlantic provinces' arrangements for construction trades mobility within the region were seen as particularly effective; and
- In the US, the Common Arc Program sets a single welding standard which is recognized all over the country, facilitating a high level of mobility in a trade which in Canada enjoys much less mobility.

(e) Specific Sectoral Initiatives

In a number of sectors in which sector councils had been established to address human resources issues within the sector, business participants generally strongly endorsed the councils' contributions to human resources development. In particular, business attached great importance to improving communication between industry and education, and pointed out that the sector councils were positioned at this very interface between

industry and education[45]. It followed, therefore, that supporting the activities of sector councils, which can effectively communicate industry needs to education, and vice versa, made strategic sense.

In the view of some sector councils, however, the policies of Human Resources Development Canada were sending very mixed messages concerning the degree of support for the sector councils – messages which should be reviewed and made more consistent. These included the following:

(i) There was a perception that HRDC financially supported the development of new sectoral initiatives but removed support from ongoing initiatives, on the grounds that they should justify their continuation by becoming financially self-sufficient. From a sector viewpoint, it is pointless to develop new initiatives if the capacity to deliver them is not also addressed. In addition, the energy expended in seeking financial support often reduced the energy available for developing the sector council's initiatives themselves.

(ii) Some sector councils which deliver adjustment services locally on a fee-for service basis, find themselves competing with other agencies, often charitable organizations, which are funded by the community, and approved by HRDC. These agencies do not charge fees, which makes the competitive situation unfair for the sector councils. Moreover, they are neither experienced nor accredited, so that the quality of their service is inferior to that of the sector councils.

(iii) There is as yet no capacity for sectors (or other groups) to access the new federal government programs aimed at supporting skill development, such as the RILAs, the Millennium Fund, etc. While the federal government says it supports sectoral approaches, it does not reflect this support in the design of its other programs. The overall approach, whether intended or not, thus appears incoherent

(iv) Despite the praise which sector councils receive at the political level, there is no similar recognition at the bureaucratic level, especially in the regions. Sector councils must continually sell themselves both to the HRDC regional people and the provincial people, often in several different ministries, who have different and inconsistent views of sectoral initiatives. Bureaucrat turnover and lack of corporate memory means it must be constantly repeated. The necessity of dealing with individual provinces, with the increase in energy involved, has followed the devolution of training to the provincial governments. Co-ordinating national sector approaches with provincial

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[45] Often, sector councils are able to share initiatives in a very cost-effective way. The Canadian Steel Trades and Employment Congress, for example, was able to share many of its manufacturing skills training courses with the Ontario Aerospace Council which, with minimal adaptation, could use many of them directly.

training jurisdictions posed particular challenges for the sector councils themselves.

(iii) Actions at the Provincial Level

At the *provincial* level, other concerns arose. In some jurisdictions, these focused on the cumulative impacts of provincial budget cutting on education and apprenticeship budgets. There was strong concern, for example, that resource reductions had limited the capacity of provincial apprenticeship authorities to do the work necessary to recognize new trades, or support colleges' efforts to expand trades training.

By far the greatest business concerns at the provincial level, however, related to the adequacy and performance of provincial education systems. In this regard, it was recognized that many of the specific recommendations, while directed at provincial education systems as a whole, might be addressed by provincial education ministries and/or by individual school boards. Others would be addressed by individual post-secondary institutions.

Elementary/Secondary education

The adequacy of elementary/secondary education was a core concern for many business respondents, from a variety of perspectives, and the recommendations in this regard were put forward on many fronts.

Across Canada, business representatives voiced a strong, consistent view that provincial education curricula at the secondary school level be revised to give greater prominence to:

- Industrial arts, which could give students a practical point of reference to see the relevance of their mathematics and physics courses, and some of which might provide students with credits towards apprenticeships. (One Winnipeg high school, for example, teaches robotics with computerized design equipment. The mathematics and physics taught in the school are fashioned around the robotics program, which gives a practical context for learning. The program partners with the Canadian Manufacturers and Exporters, and includes regular exposure of teachers to industry to keep up with developments there.)
- Employability and work skills and attitudes, which could be encouraged through much greater use of co-op programs, work experience programs, internships, and related initiatives which would involve much higher levels of partnership with local employers.

In addition, there was, virtually universally, a parallel strong view that provinces and schools must address a perceived bias among guidance teachers, through which students were directed to university studies upon graduation, at the expense of community colleges and, particularly, of the trades. These negative perceptions of the trades,

combined with those of students' parents, were seen as instrumental in steering students away from these fields and the opportunities they offered.[46]

Finally, one business perspective called for a major restructuring of school governance, increased decision-making for individual schools, new forms of teachers' contracts, pan-Canadian measures of student achievement, and other measures to enhance the flexibility and responsiveness of Canadian schools.[47]

Post-Secondary Education

In its broadest sense, business representatives saw in post-secondary institutions a continuing need to:

(i) Become more aware of business needs, and more 'market-driven' and flexible in meeting those needs.

Institutions must establish much closer relationships with employers in determining curricula and specific programs. In setting curricula, more intensive use must be made of business representatives on curriculum advisory boards, with particular stress on the greater involvement of representatives of small business. In determining specific programs, institutions must be prepared to set up training partnerships with client employers – and individuals – which meet the clients' needs in terms of course content, cost, location and scheduling.

Use of new learning technologies (distance education and e-learning, for example) to meet clients' needs in a flexible way constitute other aspects of this market readiness. Since such technologies expose students to global learning opportunities, the quality of the course content offered must be world-class.

More flexible approaches to block release for apprentices (for example, use of e-learning approaches or innovative course scheduling) will increase the success rate of apprentices.

Institutions must be agile, gearing their offerings to the needs of firms and adult learners, recognizing that their availability and schedules differ significantly from those of the more traditional young full-time students.

(ii) Become more open to increased business contacts and assistance.

The opportunities to use business representatives and resources to support the teaching of institutions are many and varied. They include, for example,

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46 Similarly, representatives of specific sectors such as steel, microelectronics, or manufacturing as a whole saw a need to promote the opportunities offered by their sector to high school students, and looked for opportunities to do so.

47 Northern Edge, op. cit., Chapter 3.

- Programs to exchange business and teaching staff, in either direction;[48]
- Arrangements whereby business could contribute and regularly renew the equipment being used in institutions, in return for training places or other considerations;[49]
- At universities, the funding of research chairs in particular fields, which would serve to keep top academic staff in Canada and with them, a core of graduate students which would be the source of further academic staff and professionals in these fields.[50] [51]

(iii) Become more flexible in recognizing qualifications across institutions and jurisdictions.

Informants in several jurisdictions pointed to institutions' lack of mutual credentials recognition and lack of 'laddering' as one important aspect of the poor image of the trades. Such lack of opportunity for upward mobility in terms of qualifications meant that trades were perceived as a terminal career, to be avoided if possible.

In pointing to these improvements, however, business representatives stressed that there were already a very large number of examples of innovative practices and partnerships on all these fronts. Indeed, consultations with the business community identified a wide variety of imaginative approaches which were succeeding well in addressing particular needs. The real requirement, then, was to find ways to encourage and promote a proliferation of such initiatives, and to exchange and share information on what works and what doesn't.

The institution-based obstacles to such a proliferation, from a business point of view, often included the following:

- Resource constraints, i.e. a lack of funds or staff on the part of the institutions to support their portion of the potential partnership;

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[48] In the Manitoba aerospace industry, a program has been set up under which a teacher spends a year in the industry to do a specific agreed-upon project with a skills or training focus. In some cases, teachers have sat on industry hiring panels; in others, they have overseen the development of skills-based, company-wide occupational profiles.

[49] Durham College has agreements in which local employers regularly update the equipment it uses in its courses. Ontario Power Generation is part of a consortium of employers which supplies tools and equipment to colleges, as well as co-op opportunities, in return for training aimed at industry needs.

[50] For example, the Strategic Microelectronics Consortium is working on Empower, a program in which matching industry and federal government contributions of $500 million will fund five research chairs in microelectronics.

[51] Similarly, Ontario Power Generation is funding Research Chairs in nuclear engineering in five Ontario universities, to retain key staff and students and provide an ongoing source of qualified engineering expertise.

- Constraints on responsiveness or flexibility which derived from the terms of collective agreements with institutions' teaching staff;
- A slowness to change which stemmed from a view of academic independence[52] and an incomplete understanding of the pressures business faces in finding solutions to its skill needs.

In a very real sense, however, an important further constraint on such proliferation was the attitudes and practices of business itself, which is described below.

(iv) Actions by the Business Community

Very many business representatives expressed the need for the business community to 'step up to the plate' to play its role in addressing skills issues. As described by business respondents, this role has a variety of dimensions.

The Business Training Effort

The Conference Board points out that internationally, Canada does not rank well in terms of the level of its training effort[53], notwithstanding the extensive on-the-job training performed by small and medium-sized firms. There is recognition that higher levels of training will be needed in future to offset difficulties in recruitment. The point was also made that such training levels should not be reduced at the first sign of an economic downturn.

In response, the Canadian Manufacturers and Exporters have undertaken to champion and industry initiative to expand private sector training, which will include documentation of the return on training investments.[54] Leadership of this sort is necessary to draw attention to current training levels and the need to increase them.

Modular Training Issues

As one business representative put it, "we have to decide on the kind of training we want". This issue, most vocally evident in our meetings in western Canada and with representatives of residential and non-residential construction, reflected two different views of skill training approaches, particularly in terms of apprenticeship.

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52 For example, frustration with universities' slow progress in including microelectronics subjects in their engineering offerings, the Strategic Microelectronics Consortium has discussed the option of establishing a private university. Similarly, Manitoba manufacturers' representatives noted the reluctance of local universities to introduce programs such as lean manufacturing principles, despite firms' high level of interest in these.

53 Conference Board of Canada, Performance and Potential 2000-2001, Key Findings, Ottawa, 2000, pages 11-12.

54 Canadian Manufacturers and Exporters, "Ten Point Plan", op.cit.

One group favoured a full apprenticeship approach to trades training, in which certification, and the mobility rights that accompanied this, was granted after completion of a full apprenticeship program which included all aspects of the trade. Another favoured a modular approach to training in which recognition of completed modules (some of which might be in different trades areas) produced workers with skill sets more tailored to particular employer needs.

While the resolution of this discussion may vary by sector, and with the labour market circumstances facing graduates of individual training programs, a working resolution would facilitate business agreement on skill development.

Effective Apprenticeship

In virtually every consultation, respondents identified a critical need to improve approaches to apprenticeship by enhancing the attractiveness of the trades and the effectiveness of trades training. On both of these fronts, the role of employers will be critical to success; in partnership with provincial governments, employers will have to take greater ownership of the system to make it work for them.

In discussions with business representatives, it became clear that Alberta's industry-led apprenticeship approach enjoyed strong support from both industry and government. The structure of the system, based on local and regional industry committees with labour and business representation, produces curricula which meets industry needs in a flexible way and maintained industry 'ownership' of the system. Significantly, the provincial government supports the work of these committees through staff and secretariat roles. The impact of this partnership has been reflected in a practical way by the involvement of employers, particularly in the construction industry, in the production of videos and CD-ROMs describing and promoting trades careers to high school students.

More of this employer energy and involvement is required in every jurisdiction[55]. In addition, all parties must take opportunities to share and co-ordinate approaches across jurisdictions through organizations such as the Canadian Apprenticeship Forum. The Canadian Manufacturers and Exporters illustrate the attitude which employers of all kinds must display in this regard; the CME is making industrial apprenticeship a priority for its members.

The practical difficulties apprentices face in maintaining their apprenticeship during the ups and downs of business cycles also pose problems, but not insuperable ones. In British Columbia, for example, the Roofing Contractors Association has a school where they train roofers. The Association is the employer of record for non-union trainees. Apprentices are indentured to the Association, which hires them out to individual

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55 In Alberta, one such partnership of private sector employers and government, 'Careers: The Next Generation', operates in communities across the province to actively promote trades, internships and work experience.

contractors for work experience, and finds other work for them if they are laid off. It follows them and monitors their progress.

Finally, many employers pointed to the need to support and promote specific initiatives such as the Skills Canada competitions, to create visibility and publicity for excellence among trades trainees.

Effective Links to the Education System

Partnerships with schools, which many business representatives identified as essential, require the active involvement of employers. In many consultations, it was evident that employer representatives recognized this responsibility and sought to promote it. Whether through providing opportunities for co-op placements or internships, through providing equipment to institutions, through offering education-industry exchange opportunities for teachers, or through participating on curriculum advisory committees, the need for industry 'champions' was clear.[56]

British Columbia employers noted highly innovative programs in some schools in that province, in which high school students followed a program which, upon graduation, gave them their diploma as well as significant credits towards apprenticeships.

In addition, while larger employers were likely to have the human and financial resources to participate in these partnerships, there was also a clear need to find a way to engage smaller employers in this way.

Business Actions on Credentials Recognition

Immigrants unable to gain recognition for the training they have acquired abroad represent an untapped source of skills which can contribute to meeting Canada's skill needs. Traditionally, it is representatives of immigrants who have drawn attention to these difficulties and the ensuing cost in terms of foregone opportunities for immigrants. However, it is important that employers, too, recognize that these credentials recognition obstacles prevent them from identifying and hiring skilled workers.

There is thus a need for employers to add their voice to that of foreign-trained workers in pressing for improved credentials recognition processes. The Canadian Manufacturers and Exporters and the Business Council of British Columbia were among the business associations calling for improvements in this area.

Since provincially-mandated credentials assessment agencies exist in four provinces, employers and their associations are well positioned to encourage their use and to provide opportunities for them to publicize their services. Employers should also consider

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56 One business respondent noted that the Shad Valley program, which gives high-achieving high school science students university courses and job placements, often suffered from an absence of participating employers.

engaging provincial regulatory and licensing bodies in discussions of how to speed up the process by which these bodies grant recognition of foreign credentials.

Finally, a number of business respondents noted that effective recognition of the work experience of foreign-trained workers constitutes a further means of identifying the skills they bring to Canadian employers. Prior Learning Assessment and Recognition (PLAR) approaches constitute a valuable tool in this regard, and should be used more extensively by employers in these assessments.

Creating Opportunities for Aboriginals

Business respondents, particularly in Manitoba, Saskatchewan and Alberta, were very sensitive to the need to include aboriginals effectively in the work force. Many noted both the obstacles to be addressed in this regard and the examples of partnerships between businesses or business associations and aboriginal organizations which were designed to address these obstacles.

Such partnerships, many of which involved job training, placement and mentoring, were seen as leading the way for expansion to include more businesses and more placements. The need, again, was for employers and employers' associations to come forward to participate actively in such initiatives.

Annex 1: Business Associations Consulted

Nova Scotia Division of the Canadian Manufacturers and Exporters, Halifax

Conseil du patronat, Montreal

Human Resources Professionals Association of Ontario, Toronto

Canadian Labour Relations and Building Trades Department, AFL-CIO (jointly with labour) Toronto

Strategic Microelectronics Consortium, Ottawa

Canadian Home Builders' Association, Ottawa

Canadian Steel Trade and Employment Congress (jointly with labour), Toronto

Manitoba Division of the Canadian Manufacturers and Exporters, Winnipeg

Saskatchewan Chamber of Commerce, Regina

Alberta Chambers of Commerce, Annual Conference, Slave Lake, Alberta

Canadian Apprenticeship Forum members, Edmonton

Business Council of British Columbia, Vancouver

British Columbia Construction Association, Vancouver

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Appendix II

Skills Shortages Consultations with Labour

I. Background to the Consultations

The issue of Skill Shortages has occupied the attention of the Board of Directors of the Canadian Labour and Business Centre since late 2000. In its discussions of this subject, the board has identified five broad aspects of the issue that are of greatest concern to labour and business. These are:

- **Demographic issues** (Aging work force and retirements, attraction of women, aboriginals, and other groups into specific key occupations)
- **Training, Education and Human Resource Development issues** (Do new labour market entrants have access to the right training? Do current employees have sufficient training? Do employers provide access to training during work hours?)
- **Trades/Technology Issues** (Image of the trades/technical occupations; apprenticeship questions What level of education is now required by employers in hiring apprentices?)
- **Education-work transition:** Do school-leavers move into the labour force efficiently?)
- **Labour mobility, immigration and credential recognition** (Could we make better use of our existing skill base by enabling greater mobility and recognizing workers' skills more effectively?

As part of the federal government's consultation with all the interested stakeholders, Human Resource Development Canada has funded the Canadian Labour and Business Centre (CLBC) to undertake a series of consultations with the labor and business communities to explore these issues in more depth. The focus of the consultations was not on further diagnosis of the skills shortages issue, but rather on approaches to addressing these pressing problems.

In April and May 2001, senior CLBC staff conducted a series of consultations with labour and business groups across Canada to engage these constituencies in discussions of skill shortages problems and solutions. This report is a summary of the discussions with the labour community on skill shortages. Every effort was made to meet with as many unions and labour bodies as possible. However, time constraints did limit the participation. A number of labour groups asked to respond in writing and we are waiting for their comments. A list of labour bodies and individuals who participated in the consultations is appended.

II. A Labour Overview of the Issue

Participants in all parts of the country and in all regions noted that, over the years, there have been any number of studies, consultations, discussions, dialogues, policy initiatives and programs that have come and gone, without effecting any measurable impact. They viewed this as the most recent such effort. The participants in the consultations were skeptical that anything would come from these discussions. They stated that there has been a great deal of rhetoric over the years, but that to date they have not seen much evidence of commitment to act. Despite these views, there was a willingness to engage in discussion.

Labour informants felt that the skills shortage is a direct result of policies of restraint, restructuring and downsizing in the 90s. Many people were assisted in leaving the workplace, with buy-outs, early retirement, or adjustment packages.

Worker training and education historically was the responsibility of employers and governments, through programs like EI. However, over the years programs have shifted from those promoting training and human resources to those eliminating "rigidities" in the labour market. In the process, informants observed, social programs and "inflexible" workforce behaviour were identified as the source of economic problems.

One of the most basic principles of the labour movement is that every worker is entitled to training. Workers want to be able to adapt to the changes and new demands and they want the skills that will enable them to take part in this now. But they see impediments at all stages. As one participant put it: there is "an opportunities shortage".

The Canadian Labour movement has long advocated policies requiring employers to invest in the training of their workforce rather than simply using the "immigration well" when skilled workers are needed. Every worker should have access to workplace training and basic skills upgrading.

Among the industrialized countries, Canada's training apprenticeship system is among the poorest in terms of participation. Among OECD countries, Canadian workers are most likely to pay for training themselves, without support from employers or government.

The labour movement would like to see a policy framework in place that would reverse these trends. The Canadian Labour Congress and its affiliates have long advocated for legislation that requires employers to provide training for their employees. The Québec Training Fund is often used as a model. This would be reinforced with a revamped Employment Insurance system designed to provide income support and to assist unemployed workers acquire new skills, rather than the current situation, which some informants considered as an obstacle set up to deny workers access to benefits and supports. The opinion was that EI should be insurance, not a fiscal policy tool. More insurance money now goes to the government than to the unemployed. The EI surplus of

7.8 billion dollars in 1998 was greater than last year's total payout of regular benefits. [57] The labour unions and their members understand the Employment Insurance program to be an integral part of the social safety net; their position is that it belongs to the workers and employers who pay the premiums.

The following is a summary of concerns heard during the consultations:

i) Demographics

The graying of the workplace is visible in all regions of the country, in all sectors and across all occupations. Some sectors are more strongly affected than others by this aging of the workforce. According to a recent study by the Canadian Council on Social Development, there is a more definite effect on sectors such as transportation and warehousing, education services and social assistance. [58]

As one labour leader put it: we are soon going to confront a "demographic tsunami"[59].

Examples:

- The average age of people in the trades is 47. In some of the trades it is even older, for instance, the average age of crane operators in Manitoba is 57.
- 64% of tradespersons in the BC pulp and paper industry are 45 years or older; and only 1% of tradespersons in BC pulp and paper are 30 years or younger.[60]
- 50% of City of Winnipeg workers could retire by the year 2010.
- The average age of those working for the public sector in Newfoundland is 46.
- 40% of nurses across Canada are 40 years or older and the average age of retirement is 56.
- According to BC's Industrial Training and Apprenticeship Commission (ITAC) there will be no fewer than 700,000 job openings due to retirements in BC by 2010.[61]

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57 CLC; C-2 An Act To Amend the Employment Insurance Act, A Statement to the House of Commons Standing Committee on Human Resources, march 2001, p15.

58 Sylvain Schetagne, Building Bridges Across Generations in the Workforce, A response to Aging in the Workforce, Canadian Council on Social Development, May 2001.

59 A tsunami is a series of long high sea waves caused by disturbance of ocean floor or seismic movement.

60 Communications, Energy and Paperworkers Union of Canada, Pulp and Paper Workers of Canada, *The Skilled Trades Shortage in the Pulp and Paper Industry: A Call to Action*, April 2001.

61 Ibid, page 2.

There are several factors that have led to this situation, but primarily it stems from the fact that there have been relatively few new entrants into these workplaces. The skill shortage is demographic in nature, but it is not solely a result of demographic change. One of the many examples presented during the consultations illustrates the point. The GM plant in Oshawa has a total workforce of 12,000 of which 2,000 are in the skilled trades. Since 1989, there have been no new hires. The average age in the workplace continues to rise and with that comes certain implications.

The human resource practices of many workplaces do not appear to take demographic factors into account. Older workers who may no longer have the physical ability to work safely at their jobs occupy physically demanding jobs for which much younger workers would be better suited. This often results in greater likelihood of injury on the job or increased use of sick leave.

In many workplaces, the years of fiscal restraint have taken their toll. Nurses work in an extremely stressful environment exacerbated by years of restraint and downsizing in the health care sector. Many are experiencing burnout by the time they reach 50 and are more than willing to take early retirement, thereby worsening the countrywide nursing shortage.

In some regions of the country, the out-migration of workers has made a difficult situation even worse. Places such as Newfoundland have a long history of exporting younger people to other parts of the country, leaving the province with an increasingly older work force.

ii) New Entrants to the Labour Market

Many labour participants talked about the lack of basic labour information needed by young people to make informed decisions about career choices. Young people in high school do not know where to go for information about the jobs of today, let alone the jobs of tomorrow.

Labour has to take a more active role in getting information into the schools. It has a duty to explain the role of unions and introduce young people to the various facets of the workplace. Work is not always about computers. It is also about people, and the inter-relationship between workers, employers and governments.

A number of participants raised concerns regarding the treatment of students, providing many examples where students had been used as a source of cheap labour. The emphasis was not on teaching new skills to young students but rather on incorporating them into the workforce without any regard for skill levels. The exploitation of students has forced a number of unions to address their concerns at the bargaining table.

Many respondents spoke of the need for more co-op programs in the high schools to introduce young people to the world of work.

iii) Poor Image of the Trades

Many participants stated that unlike Europe, where the skilled trades are respected and valued, parents and guidance counselors do not consider the skilled trades a desirable career choice. Many of the labour respondents felt the schools do not offer students enough, if any, exposure to the trades occupations because teachers often do not value these occupations. Many labour respondents noted that there is a fixation with computers and with "everything that is high tech". There is no appreciation of the sophistication and tremendous technical complexity of modern skill trades.

One interesting development is the Certificate in Professional Studies being delivered in Québec's school boards. The Certificate targets those who did not complete high school but who successfully completed technical training in one trade area. This type of initiative could complement efforts in prior learning assessment. (PLA)

Labour participants talked of the need for laddering arrangements, thereby increasing opportunities for students to follow high school programs to community college on to university.

However for many labour participants the issue was not a shortage of people but rather the reluctance of employers to hire apprentices.

iv) Who will train the new entrants?

The aging process also affects those who provide training. Instructors at secondary schools, community colleges, and universities and in union training programs, are all aging. The average age of British Columbia's college and vocational instructors is 42 and some 61% of all instructors are between the ages of 35 and 54. It is estimated that between 1998 and 2008 there will be almost 8500 instructor jobs available. Over 50% of these vacancies will be due to retirement.

In a similar vein, the Government of Saskatchewan has estimated that, in the next few years, 60% of the available jobs for college and other vocational instructors will result from retirement, transfer or departure of instructors presently working in the province. A study prepared for the Ontario College of Teachers in 1998 estimated that more than 41,000 of the province's 171,500 qualified teachers would retire by 2003 and more than 78,000 by 2008. This means that, by 2003, about one in four qualified teachers living in Ontario in 1998 would retire and about one in two by 2008.[62]

In Ontario, currently only 62 teachers are being trained in the trades technologies. That is not enough to meet the current needs of the city of Toronto, let alone the rest of the province of Ontario.

It is not just instructors who are aging. The infrastructure, both the physical plant and the equipment, is also aging. Many of the secondary schools and community college have not

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62 Interview with Larry Brown and Mike Luff, National Union (NUPGE).

kept pace with the new technology and are attempting to provide skills for the new economy with aging in some cases obsolete equipment.

v) Making the best use of the skills we have

Several informants noted that the cyclical nature of the construction sector means that there may be trades surpluses in one region coexisting with shortages in another. At the same time, in many trades, the ability of tradespersons to move from one province or region to another is impeded by inter-provincial differences in certification and standards, despite the operation of the Red Seal Program.

Informants noted that it is very time-consuming and sometimes complicated for people to transfer apprenticeships between provinces, with the result that many laid-off apprentices leave the industry rather than trying to move to another jurisdiction. Their time spent in apprenticeship is thus largely wasted.

The "boom–bust" nature of the construction industry also means that apprentices, who are usually the first to be laid off, risk leaving the industry. Once laid off, unemployed fourth year apprentices are more difficult to re-employ than first year apprentices.

Many respondents felt that obstacles to inter-provincial mobility derived from the practices of provincial/territorial regulatory bodies whose licensing and certification requirements varied across jurisdictions. Labour respondents would like to see national standards applied to ensure there would be fully qualified and certified journeypersons.

Older workers (45 years and older) who are currently unemployed and who do not have recognized qualifications, although they possess significant work experience, are often overlooked. These workers are not hired, yet at the same time, companies claim they cannot find qualified help. During the consultations many respondents suggested that Prior Learning Assessment and Recognition (PLAR) could help address this imbalance. Workers could have their knowledge and experience formally recognized and validated.

The Ontario Secondary School Teachers Federation (OSSTF) has developed a protocol that allows people in the trades who lack teaching credentials to be certified as teachers, based on their skill and experience. These instructors are paid according to the salary scales set by the OSSTF.

Labour respondents urged refinements of prior learning assessment and recognition (PLAR) practices and policies that would see a greater role for labour and business. The current system does not recognize enough of a role for unions and depends too much on the educational institutions. It was also felt by many respondents that the emphasis, in practice, has been on the assessment of workers instead of the recognition of the skills and knowledge gained from life and work experience.

PLAR should also target production jobs, such as machine operators, foundry workers, and laminator operators. These occupations are often not recognized for the level of experience and ability that they require. If they were, intra-industry and inter-occupational mobility would be enhanced. By increasing the recognition of these

occupations, it would make it possible to deliver training that would be transferable to other sectors and occupations.

Labour respondents acknowledged that the some collective agreements are drafted can be an obstacle to PLAR, as they do not always establish a distinction between qualifications and competency.

Aboriginals

The labour community recognizes that there needs to be better communication with the aboriginal community. The aboriginal population, particularly in the Western provinces, will form a substantial percentage of new entrants into the labour market. It will be important to ensure they have the necessary skills for successful transition to the workforce.

A number of unions are currently working with school boards, community colleges and universities to help design programs that meet the needs of aboriginal students. For example, in Saskatchewan, CUPE and the Saskatchewan Union of Nurses are involved in a program to train aboriginal health workers.

vi) Maintaining, Enhancing and Upgrading Employees' Skills

The labour movement has for many years advocated a system of mandatory training. Labour does not believe that asking employers to adopt a voluntary approach has been very effective. They believe that many employers, instead of providing training to their own employees, poach workers from those companies that do provide training. There is no disincentive for poaching. Thus, it is often the employer who makes a training investment who is at a disadvantage. Many labour participants believe a system is needed to reward employers who undertake employee training and penalize those employers who do not.

In recent years, many employers have begun to put greater responsibility on employees to keep their skill sets current. Many workers, particularly younger ones, would like the opportunity to develop or acquire new skills. They would like better training that could lead to better jobs. However, there are few programs that provide support to workers to upgrade or acquire new skills while they are working. Increasingly, opportunities for continuing education or on-going training become determining factors in accepting an employment offer. Many unions find that their members are asking that education and training programs be included in their contracts.

Employers have talked about the need to spend resources on recruitment and retention, with the emphasis on recruitment. Some of the participants suggested that perhaps they have it backwards. The representatives of the nurses unions believe that the nurse shortage will only be addressed if those currently in the workforce stay. And the nurses have said that one of the major items they want is ongoing education and training

programs. The new collective agreement with the Alberta nurses and the government recognizes the importance of updating the professional skills of the nurses.

Many participants expressed concern with the way training is currently organized and delivered in the workplace. Often, trainers are drawn from educational or management communities and the language and the content of the training are not always adapted to the workers' needs. There is a need to train trainers, who would come from inside the workplace.

Labour representatives noted that one of the barriers to training is the lack of replacement workers. Often, training is limited to a few hours at a time and delivered *on top* of the workers' regular day. This is more prevalent in small enterprises. One solution to this problem is for governments to make funds available to small and medium sized enterprises to hire replacement workers.

Labour representatives also commented on the push by employers towards multi-skilling and employer demands for greater flexibility. Many in the labour movement have seen this as yet another way of reducing employees. Training is often quite specific, limited to the particular tasks of a particular job. Labour representatives have asked for training that is generic and portable.

Many unions are therefore using the framework of collective bargaining to press for training.

Some recent examples include:

- CUPE and the City of Winnipeg have negotiated in their current collective agreement a $3 million education fund to help people upgrade their basic skill - i.e. achieve their General Education Diploma and also to train for the skills of the future.
- CEP has negotiated a training program for its older linesmen to provide a transition from very demanding physical work to work more appropriate for their age group.

One of the few remaining federal programs that provide publicly sponsored income support for skill training is the federal employment insurance (EI) program. However, only unemployed workers are eligible to apply for support. There are many workers who require programs such as ESL or basic skill development, but are unable to access them, as long as they hold a full time job.

Two approaches to Skills Upgrading

Individual Learning Accounts

In the recent Throne Speech, the Federal government proposed the introduction of Individual Learning Accounts, despite strong opposition from the labour community. The labour community sees this initiative continuing the current thrust towards making

individuals responsible for their own education and skill training rather than a responsibility of society as a whole. This has been referred to as the "individualization of risk". Labour informants felt that, while this may well have appeal for that small segment of the population that is able to self-finance its own training, for most workers it will not have any positive effect.

Sector Councils

There is considerable concern in the labour constituency that individual learning accounts will lead to further erosion of the sector councils. Despite the successes of the various sector councils, the shift to individual client-based programming makes it difficult for the councils to access programs and develop strategies. It is true that the sector councils have been uneven in their delivery. Some have been tremendously successful while others are less so. A number of labour participants suggested that this may be a reflection of lack of commitment by some employer groups to training with an industry or sector-wide approach.

A number of labour participants suggested that sector councils are well placed to undertake human resource planning. It was suggested sector councils could play a role in apprenticeship training. Sector councils should have the ability to indenture apprentices and be fully responsible for their training. If there are gaps in training, the sector should be able to adjust to ensure that the apprentice is exposed to all aspects of the trade.

vii) Adjustment

In the 90s, many programs were put in place to deal with the adjustment needs of workers who had been displaced. One of the more successful programs was administered under the Industrial Adjustment Service (IAS) Many participants talked of the lack of capacity within HRDC to address adjustment issues. In Ontario, there is no labour market development agreement with the federal government. In that province, unions can only go to the province to access adjustment programs.

Over the years, many of the sector councils developed cost effective and innovative programs to assist workers who had lost their jobs. These programs had been funded by the federal government in the past. But today it has become increasingly difficult to secure funding, despite their proven track record. A recent example of this occurred when CSTEC did not win the contract to provide services to laid-off Steelworkers in Sydney (Nova Scotia), despite the fact that the USWA requested that CSTEC provide the service. Many other unions or union-based training centres find themselves in similar situations. They now have to compete against community-based agencies for contracts to deliver their adjustment programs to their members.

The other major concern is who is eligible for job training programs. Only EI claimants qualify for training money but two-thirds of the unemployed are unable to access EI.[63]

vii) Immigration as a Source of Skills

In the past, Canada has relied on immigration from other countries, particularly Europe, to solve skill shortages. Currently, newcomers make up 20% of the general workforce,[64] a proportion that is likely to increase. The natural rate of population growth in Canada without immigration is less than half a percentage point and in some provinces it falls to almost zero. The worker shortage will only get worse. But Canada is not the only country competing for skilled workers. Many European nations are confronting the same demographic problems as Canada.

Canada is now looking to recruit skilled workers from less developed countries. Many provinces have established their own recruiting programs to address severe shortages. For instance, Manitoba currently recruits nurses in the Philippines. During our consultations, a number of participants expressed concern that developed nations like Canada are "poaching" the skilled talent of less-developed nations, rather than providing training to workers here in our own country. They see this practice as making it more difficult for less developed countries to meet the needs of their own citizens.

Immigration will not address shortages in rural and remote communities. Three out of four new immigrants coming to Canada settle in Ontario and of those, most locate in the major urban centres. In general, it was noted, new immigrants do not settle in northern Manitoba, northern Ontario or northern Saskatchewan.

The labour movement does recognize the need to establish a system for better coordination of credential assessment for internationally educated individuals. However labour participants would like to see a greater degree of accountability and there is a strong preference for these bodies to be publicly administered.

viii) Consistency of Government Policy with Skills Issue

One of the greatest sources of frustration for labour representatives is the inconsistency of government policies and programs. Many labour participants relayed examples of recent experience with some of the regional offices of HRDC, which are highly decentralized and often appear arbitrary in their rulings. Informants felt that the vagueness of regulations allows individual managers, sometimes within the same city, to make contradictory decisions on eligibility of programs. Participants explained how they would go to one office after another until they received a favourable decision. They felt that it is difficult to get consistent rulings on eligibility and criteria of adjustment and training,

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[63] Canadian Labour Congress, Statement Regarding Bill C-11, An Act To Amend the Immigration Act, Ottawa, April 26,2001

[64] Time Magazine, Canada the next generation. Opening Our Eyes to Immigration: As the boomers fade away, the need is growing for more talent from abroad, Steven Frank May 7, 2001.

basic skills and literacy programs and EI. The government, they believe, is not consistent in its application of programs, guidelines, and regulations. Under the current EI Part II, officials have discretionary authority over income support programs. There is no right to claim, nor any right to appeal.

There is real frustration with the new delivery guidelines. Labour groups, who in the past administered the adjustment programs, now are being asked to compete with community-based groups for contracts to administer such programs.

viii) The capacity of many parties to act together to address shortage issues

Labour respondents questioned the ability of governments at the federal and provincial levels to work together to address training needs of their members. Participants talked of the growing fragmentation of a system that has been diminished by the devolution of training to the provinces. There is no consistency in programs, requirements or credentials from one jurisdiction to another.

III. Directions for Solutions

There is a visible distrust and cynicism within the labour community as to whether federal government action on the skills shortage issue will lead to any benefits for their members. It is therefore not surprising that the proposals offered by the labour community for the most part require legislation or are situated in the framework of collective bargaining. They try to address both the skills shortage and the people shortage.

Labour informants suggested a number of viable approaches and actions:

a) Bringing new skilled workers into the labour market

It was felt that the Federal government should support both the development and operation of creative school-to-work transition programs. There are a number of successful programs currently underway which have been developed with the assistance of all the partners (including school boards, community colleges, unions, employers, and sector councils), but more are needed. Examples of innovative programs:

- The Canadian Aviation Maintenance Council Youth Internship program in partnership with the Machinists, Canadian Airlines and the BC School Board
- The Employee of the Future program run by the Iron Ore Co of Canada, the Steelworkers, the College of the North Atlantic and the municipality of Labrador City

Many unions have started to incorporate into their collective agreements specific ratios of apprentices to every skilled worker. This is one approach to addressing the looming demographic crunch. Some labour participants would like to see companies that follow this approach rewarded either through tax credits or payroll tax reductions.

Examples of this are:

- CEP and the Pulp and Paper Woodworkers union have proposed one apprentice position for every five skilled tradespersons.
- CAW and the Big Three Auto companies have negotiated in their current contracts a ratio of one apprentice for every seven skilled tradespersons.

b) Maintaining the skills of those already in the labour market

Training Tax

The preferred choice of the labour movement would be to support a national version of the Québec training tax. The labour movement has been advocating the implementation of a mandatory system requiring employers to provide training or to subsidize employers who do. It would contribute to addressing the issues of poaching and help create the training culture the federal government advocates.

Training Funds

Recognizing that the likelihood of a national training tax is somewhat remote, many unions are proposing training funds, similar to the arrangements between the City of Winnipeg and CUPE. These training funds would be established and jointly administered to assist those workers currently working for the City to upgrade their skills with either basic programs (literacy, numeracy, etc.) or with courses that provide them with the skills needed for the future.

The training funds could be an innovative way to help older workers make a transition from one job to another. Rather than lose older workers to long term disability or early retirement, training could be provided to allow people to use their current skills in a different fashion.

Training Leaves

Many of the labour participants would like to build in a system of training or education leaves. People want to take training but they have no way of financing it themselves. Many organizations recognize the value of educational leave provisions, but these leaves are usually available primarily to managers and directors. Universities have sabbaticals , which are viewed as a way for academics to renew their skills. Many corporations have begun offering similar sabbaticals as incentives to managers. The same approach, in labour's view, needs to be offered to all workers.

Proposal for EI Training Leave

Another option would be to develop a training leave provision eligible for funding through EI. Every worker would be entitled to five weeks of EI income support for every year he/she has been in the labour force, up to a maximum of 52 weeks. The EI Training Leave would be an expansion of what is available for the classroom portion of apprenticeship. All job related training causing an interruption of earnings would be eligible for employment insurance protection

Changes to existing provisions affecting apprenticeships

A number of labour respondents complained that maintaining the two-week Employment Insurance waiting period for apprentices on block release for classroom training effectively stripped these workers of income for this two-week period. Since many have

family responsibilities and expenses, this was seen as an unnecessary and removable obstacle to their continued apprenticeship

Innovative approaches

Labour informants suggested that phased-in retirement is important as a mechanism to keep older workers on the job. In physically demanding or extremely stressful jobs or professions, workers often look for ways to leave the workforce entirely. By implementing phased-in retirement, valuable workers would be given greater choice and flexibility and might instead stay on, continuing their contribution to the workplace. Options for phased-in retirement would be of particular value in those sectors facing a real crunch. It could apply particularly to those people who are seeking early retirement such as nurses or teachers and professors who face mandatory retirement and still want to work. But the option must reside with the employee.

Phased-in retirement might be a method to encourage experienced workers to mentor younger workers. A mentoring program would help younger workers solidify skill sets that are learned in an academic setting.

Making better use of skills at Canada's disposal

Older workers have skills and abilities that can be utilized rather than being lost when workers retire. In Ontario, the Ontario Secondary School Teachers Federation (OSSTF) has developed a protocol for allowing people in industry to be certified as teachers. These instructors are paid according to the salary scales set by the OSSTF.

There is a recognition that the labour community needs to communicate with the aboriginal population. There are cultural differences that need to be addressed. The aboriginal population, particularly in the Western provinces, will make up the majority of new entrants to the labour market in the coming years. It is important to begin communications now.

Supporting Partnerships and New Approaches

It was suggested that perhaps governments should broaden their definition of high technology beyond computers to include trade infrastructure. If the definition were broadened, the criteria of grants could be broadened as well. Most of the community colleges in this country have lived with severely reduced budgets for many years. Colleges require similar type of assistance as the universities, so that they can begin the renewal of infrastructure necessary to support the development of a skilled workforce.

HRDC could help facilitate partnerships with school boards, community colleges, unions and employers to take advantage of underutilized time slots within the more modern facilities.

Observations

For many of the Labour informants, the skills issue needs to be framed around accessibility:

- Access to accurate labour market information
- Access to literacy programs
- Access to basic skills program
- Access to workplace skills upgrading
- Access to income support while training
- Access to credentials that are recognized across the country
- Access to adjustment programs for displaced workers

Over the years, labour informants pointed out, many useful programs at the national level have either disappeared or have been truncated because of changes in orientation and funding cutbacks. Many of the participants in this consultation believe they have been replaced by an ad hoc, arbitrary system that does little by way of facilitating skill acquisition.

There are many examples of innovative and creative programs operating at the community or workplace level. They are often the result of the collective bargaining process. In some cases, it is because there has been a strong local champion who has supported a particular program. There are examples of many partnerships that have come together to address a particular need.

The challenge will be to take what has been learned at the local level and apply it across the country. Are there elements that would be appropriate for the federal government to adopt or incorporate into existing programs?

The labour movement is deeply committed to the principle of training. It is in Labour's interest to have a well-trained and highly skilled workforce. Informants emphasized that there is no shortage of ideas and there is a willingness to share them.

Annex 1: List of Individuals and Groups consulted

British Columbia Federation of Labour / ITAC ..... Vancouver
British Columbia Government Employees Union (BCGEU) ..... Vancouver
Building and Construction Trades Department AFL-CIO ..... Ottawa
Canadian Apprenticeship Forum, Labour Caucus ..... Ottawa
Canadian Auto Workers (CAW) ..... Toronto
Canadian Federation of Nurses' Unions ..... Edmonton
Canadian Labour Congress- Training and Technology Committee ..... Toronto
Canadian Labour Relations Committee of the Construction Sector ..... Toronto
Canadian Steel Trade and Employment Congress (CSTEC) ..... Toronto
Fédération des travailleurs et travailleuses du Québec (FTQ) ..... Montreal
Manitoba Federation of Labour ..... Winnipeg
Metro Labour Education Centre ..... Toronto
National Union of Public and General Employees (NUPGE) ..... Ottawa
Newfoundland and Labrador Federation of Labour ..... St. John's
United Food and Commercial Workers (UFCW) ..... Toronto